

**UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF WISCONSIN**

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In re:  
Schopf's Hilltop Dairy, LLC,  
Debtor.

Case No. 15-33333-GMH  
Chapter 11

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**MOTION BY THE DEBTOR FOR INTERIM AUTHORIZATION TO USE CASH  
COLLATERAL AND GRANTING OF ADEQUATE PROTECTION TO INVESTORS  
COMMUNITY BANK AND USDA FARM SERVICE AGENCY WITH A REQUEST  
THAT THE MOTION BE HEARD ON AN EXPEDITED BASIS**

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NOW COMES the Debtor, Schopf's Hilltop Dairy, LLC, by its attorneys, Steinhilber, Swanson, Mares, Marone & McDermott, by Attorney John W. Menn, and requests the Court authorize the Debtor to use the cash collateral of Investors Community Bank ("ICB") and USDA Farm Service Agency ("FSA" and, together with ICB, the "Lenders") and provide adequate protection to the Lenders therefor. In support thereof, the Debtor states as follows:

**JURISDICTION AND VENUE**

1. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157(a) and 1334(a), and the order of reference in this district entered pursuant to §157(a). This is a core proceeding under 28 U.S.C. §157(b)(2)(A) and (M), as a matter concerning administration of the Debtor's estate, use of property and adjustment of the debtor-creditor relationship. Venue is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409.
2. The basis for the relief sought herein is 11 U.S.C. § 363(c)(2)(B), Fed. R. Bankr. P. 4001(b) and 9014, and Local Rule 4001 of the Local Rules of the Eastern District of Wisconsin Bankruptcy Court.

Drafted by:  
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## **GENERAL BACKGROUND**

### **A. Petition Date**

3. On December 14, 2015 (the “Petition Date”), Schopf’s Hilltop Dairy, LLC (hereinafter, “Debtor”) filed its petition for relief in this Court.
4. The Debtor remains in possession of its property and is operating its business as debtor in possession, pursuant to §§1107 and 1108 of the Bankruptcy Code. No unsecured creditors committee, trustee or examiner has been appointed in this case.

### **B. Business Operations**

1. The Debtor is an LLC, solely owned by Dennis W. Schopf, that operates a dairy farm in Sturgeon Bay, WI. Prior to March 2015, the Debtor's herd was producing an average of 93 lbs of milk per head per day (approx. 2,800 lbs/mo per head), with a milking herd of approximately 437 head.
2. Toward the beginning of 2015, the Debtor had planned to purchase additional animals, which, in combination with calves which were about to be born, would have brought the total herd up to about 490-500 head. However, in March 2015, the Debtors received bad feed which resulted in severe magnesium poisoning of 388 of their cows. The milk averages dropped from 93 lbs to 70 lbs, and many of the cows ended up dying from the poisoning. Over the last several months, the Debtor has lost more than 80 cows, which has significantly impacted its herd. The affected cows that did not die are still recovering from the poisoning. The health of the cows that are calving is not as good as it had been prior to the magnesium poisoning. The cull rate has doubled from from about 35% to 70%, and the Debtor has also not been able to increase the size of the herd from regular

culling, rather having to replace the extra cows that have died in an effort to bring the herd back from the brink.

3. Since the poisoning issue, the Debtors have brought in some additional cows, so they have maintained their herd at approximately the size it was before, although production has dropped, and cows continue to die in greater numbers than they had historically. If nothing would have happened, the herd would be up to about 500 now, and the Debtor would not have been forced to file for bankruptcy.
4. In addition, about 2 ½ years ago, Mr. Schopf's wife Roxanne became extremely ill with a rare auto immune disorder, which took a significant amount of time and numerous doctor visits to fully identify, and which detracted from Mr. Schopf's ability to fully focus on the farming operation. This issue has stabilized now, with Roxanne currently on extended chemotherapy treatments, but it continues to be a significant expense and strain on the Schopfs.
5. While the poisoning issue was taking place, the Debtor was also on a payment plan with the IRS to make up some missed withholding taxes from prior years. However, the combined problems with the poisoned herd and Roxanne's illness contributed to a default in this repayment plan. The IRS subsequently levied on the Debtor's milk checks, which led to the chapter 11 filing.
6. The IRS levy has now stopped on a post-petition basis, and the Debtor is examining options to increase its herd back to its previous levels, which will allow it to pay its creditors.
7. In addition, the Debtor is pursuing a claim against Land O' Lakes for the damages caused by the poisonous feed. The continued operation of the farm is a vital component in

proving damages caused by the poisoning. The Debtor anticipates that the damages will be substantial, and those damages, once recovered, will be utilized in the Debtor's plan to pay creditors.

### **C. Pre-Petition Financing**

8. In order to finance operations, the Debtor borrowed from Investors Community Bank and USDA Farm Service Agency. As of the Petition Date, the Debtor owed ICB approximately \$3,469,000.00 and FSA approximately \$274,000.00.
9. ICB has a security interest in all the Debtor's assets, including real estate, animals and the proceeds thereof, and equipment and machinery, by virtue of various security agreements and mortgages perfected by UCC-1 filings with the Wisconsin Department of Financial Institutions and mortgages filed with the Register of Deeds for Door County. ICB also has personal guarantees from Mr. and Mrs. Schopf, and mortgages on a significant amount of real estate owned by the Schopf's individually. The total amount owed to ICB is approximately \$3,469,000.00, and the approximate value of all the collateral securing this obligation is in excess of \$7 million.
10. FSA has a security interest in the Debtor's herd and the proceeds thereof, by virtue of a security agreement perfected with a UCC-1 filing with the Wisconsin Department of Financial Institutions. The total amount owed to FSA is approximately \$274,000.00, and the approximate value of the herd is \$1,383,700.00 (broken down as: Cattle: 427 cows (\$1,024,800); 96 bred heifers (\$182,400); 124 open heifers (\$124,000); 105 heifers (52,500)).

11. A balance sheet identifying the asset values is attached hereto as Exhibit A-1. The supporting appraisal of real estate is attached as Exhibit A-2. The summary of equipment is attached as Exhibit A-3.
12. The Debtor's attorney has not reviewed all of the documentation for the lien claims of ICB and FSA in the assets, but reasonably believes that both creditors hold a first priority security interest in the milk proceeds, on a percentage basis, with FSA holding a 1st priority interest in 60% of the proceeds and ICB holding a 1st priority interest in 40% of the proceeds.

### **FACTS IN SUPPORT OF RELIEF REQUESTED**

13. The Debtor's current budget is significantly depleted due to the low herd and production numbers, and will require an infusion of new healthy cows to bring milk production totals back up to a level which will allow for full payments to both ICB and FSA. The Debtor's current projected budget is attached hereto as Exhibit B-1. This projected budget does not include any amounts for the purchase of new animals or the replacement of animals as they are culled at rates higher than the regular birth rate.
14. The Debtor has attached as Exhibit B-2 a separate projected budget, which shows the additional purchase of approximately 73 cows, plus the ongoing purchase of new animals to replace the culled cows (estimated at about 70 additional animals over the next year, given the current above-normal cull rate), which will keep the milking herd average at 500 head. The Debtor proposes purchasing the additional animals (approximately 73 immediately, and additional animals as they are culled) through the sale of various parcels of real estate, either owned by the Debtor or by the Schopfs individually. They already have a prospective buyer for 20 acres of non-productive real estate, for

approximately \$85,000.00, which would allow for the purchase of 34 animals upon closing, and will continue to market some additional land with potential buyers in order to generate the funds necessary to purchase the remaining animals within the next 90 days to bring the milking herd up to 500. Over the coming year, they will sell additional animals or re-invest income from the business to replace animals that are culled over the coming year, to the extent the culled animals are not replaced by other animals raised by the Debtor.

15. The purchase of the initial 73 cows would cost approximately \$182,500, at \$2,500.00 per head, purchased within the next 3 months to immediately boost the herd number back up to about 500. The additional 70 replacement animals would likely be heifers at a cost of \$2,100.00 per head, for about \$147,000.00, replaced over the course of the coming year as the cull rate stays unusually high. Once that has been completed, the cull rate should be back to normal, and the Debtor won't be forced to purchase animals in order to maintain the herd average of 500 milking head. Once the initial 73 head are purchased, the Debtor may be able to replace any additional culled animals from ongoing income, rather than through liquidating further real estate.
16. The milk proceeds constitute the cash collateral of both ICB and FSA. In exchange for the continued use of the cash collateral, the Debtor is proposing to offer adequate protection to the Lender, as detailed below.
17. The Debtor seeks authority to use cash collateral in accordance with the budget attached hereto as Exhibit B. The budget indicates the Debtor's ability to pay all current expenses, including all items proposed as adequate protection, proposed below.

## **PROPOSED ADEQUATE PROTECTION FOR USE OF CASH COLLATERAL**

18. For adequate protection of the security interests of the ICB, the Debtor proposes as follows:

- a. ICB and FSA will retain perfected post-petition security interests to the same extent they held perfected pre-petition security interests in any of the Debtor's assets, extending to cash collateral received by the Debtor post-petition;
- b. The Debtor will make not make adequate protection payments to ICB or FSA for the first 90 days, and interest will continue to accrue at the contract rates, with all accrued interest continuing to be secured by the collateral.
- c. Within the next 90 days, the Debtor and/or Dennis and Roxanne Schopf will sell real estate sufficient to increase the milking herd size to 500 head, as outlined above. The Debtor will file a § 363 motion for any such sale, identifying the use of the proceeds. ICB and FSA will retain liens on the replacement animals purchased with the sale proceeds in the same priority as they currently hold on any such real estate sold. The Debtor will cooperate with the Lenders to execute any necessary documents to confirm this lien interest, which shall be filed with the Wisconsin Department of Financial Institutions.
- d. The Debtor will utilize milk proceeds to pay regular farm operating expenses, in line with the attached Exhibits B-1 and B-2, as those figures may adjust depending on the exact herd count. The Debtor will re-invest any excess income, after payment of all regular farm operating expenses, including adequate protection payments as identified below, to purchase additional animals and replenish the herd as needed to maintain a 500 animal milking count. The Debtor

is also authorized to reimburse Dennis Schopf the amount he paid to the veterinarian on or around December 16th, in the amount of approximately \$2,100.00, for necessary animal medicine and supplies.

- e. Beginning with the milk check to be received on or around March 15, 2016, the Debtor will make monthly payments via milk check assignment as follows:
  - i. To ICB, monthly payments in the amount of \$15,000.00 per month. The payments will be made \$7,500.00 from the mid-month check and \$7,500.00 from the check received around the 1st of each month. Payments will be applied toward interest as it accrues.
  - ii. To FSA, monthly payments in the amount of \$700.00 per month. The payments will be made \$350.00 from the mid-month check and \$350.00 from the check received around the 1st of each month. Payments will be applied toward interest as it accrues.
- f. The Debtor will escrow for future payment of real estate taxes, with ICB. The escrow will be kept in a separate restricted account, commencing in January and in each month thereafter, to be used specifically for payment of real estate taxes as they come due, and no other purpose. The Debtor will pay \$1,000.00/mo, and the Schopfs will continue to pay into separate escrows on the houses, the aggregate total of which will be sufficient to pay all real estate taxes as they come due on both the LLC property and the property individually owned by the Schopfs. The escrows will be adjusted from time to time as may be necessary, and ICB will disburse escrowed funds to pay taxes as they come due;



- g. The Debtor will file a Plan of Reorganization and a Disclosure Statement within the exclusive period, on or before April 12, 2016, and will request a hearing on the adequacy of the Disclosure Statement and ultimately the confirmation of the Plan within the statutorily prescribed periods thereafter. These dates may only be extended by Order of the Court upon motion therefore;
  - h. If the Debtor defaults in any of the conditions of adequate protection provided herein, ICB shall provide the Debtor and its Attorney with a written notice of the default. If the default has not been cured within 10 days after Notice of Default is mailed, ICB may request a hearing to consider relief from the automatic stay provided by 11 U.S.C. Section 362 to allow it to proceed to appropriate remedies;
  - i. The Debtor will maintain full casualty insurance coverage on all property;
  - j. Upon approval of the Court, this Stipulation shall remain in effect until the earliest of (1) the date of Plan Confirmation, (2) dismissal of the case, or (3) conversion of the case.
19. A form of the proposed Order is attached hereto as Exhibit C.
20. Local Rule 4001(b) provides that "All Financing Motions must (1) recite whether the proposed form of order and/or underlying cash collateral stipulation or loan agreement contains any provision of the type indicated below; (2) identify the location of any such provision in the proposed form of order, cash collateral stipulation and/or loan agreement; and (3) provide the justification for the inclusion of such provision. A summary of the relevant terms and the compliance of the proposed Order with Local Rule 4001(b) is attached as Exhibit D.

**REQUEST FOR EXPEDITED HEARING ON THE  
INTERIM AUTHORIZATION OF USE OF CASH COLLATERAL**

21. The Debtor requests, pursuant to Fed. R. Bankr. P. 4001(b)(2), that a preliminary hearing on its Motion be heard on an expedited basis as soon as practicable, and that the Court further conduct a final hearing on not less than 14 days' notice.
22. In the absence of an expedited preliminary hearing, the Debtor and its estate will suffer immediate and irreparable harm as milk proceeds from the dairy herd will not be available for use in the operations of the estate, including purchasing feed, supplements, and medicine for the cows, and paying employee wages. The Debtor requires cash to pay expenses necessary to continue operating its business, as outlined in the budget attached hereto. As of the Petition Date, the Debtor did not have any unencumbered cash accounts from which it could meet foreseeable operating expenses and did not wish to attempt to meet its cash demands by obtaining unsecured credit allowable under § 503(b)(1). The Debtor will have sufficient cash collateral to meet these obligations, however, if this Order is granted. The Debtor requires the use of the cash collateral and believes that the proposal set forth above adequately compensates Lender for the use of cash collateral

**RESERVATION OF RIGHTS**

23. The Debtor does not waive any rights, including, without limitation, the right to object to, challenge, or contest the extent, validity, or priority of the Lender's pre-petition lien(s), the amount of the Lender's claim, or to value any or all of the collateral securing the Lender's lien(s).

WHEREFORE, Debtor respectfully requests entry of an Order granting the following relief:



Schopf's Hilltop Dairy and S&B

**12/31/2015** Date of Sheet

12/10/2015

[illegible]

Ag Appraisal Services LLC

UAAR®

File No #120511scho

## Uniform Agricultural Appraisal Report

**Property Identification**

Owner/Occupant: Schopf's Hilltop Dairy, Dennis & Roxanne Schopf, Roger & Rosemary Schopf  
 Property Address: 5169 Hwy I, Sturgeon Bay  
 State/County: WI / Door  
 Property Location: Towns of Egg Harbor & Sevastopol  
 Highest & Best Use: Crop production "As If" Vacant  
Dairy / Retail / Crop production "As Improved"  
 Zoning: Sevastopol- Prime Ag (20A minimum lot size); Egg Harbor- no zoning  
 Unit Type: ☒ Economic Sized Unit ☐ Supplemental/Add-On Unit  
 FEMA Community # 550109 FEMA Map # 105 A FEMA Zone/Date: Zone C, 04/03/2008  
 Legal Description: see attached legal description SEC        TWP        RNG        Attached ☒  
 Purpose of Report: Determine fair market value, after completion of proposed new improvements, for loan consideration  
 Use/Intended User(s): Investors Community Bank / Wayne Mueller, Farm Service Agency, any participating Bank  
 Rights Appraised: Fee simple  
 Value Definition: Fair Market Value Attached ☒  
 Assignment: Appraisal Report Type: Summary  
 Extent of Process/Scope of Work: The purpose of the report is to present the data and reasoning the appraiser has used to form the opinions of value. The objective of this appraisal is to estimate the market value of this property as of the date of inspection.

## Summary of Facts and Conclusions

**Appraisal Report Summary**

Date of Inspection: 05/11/12 Effective Date of Appraisal: 05/11/12  
 Value Indication - Cost Approach: \$ 4,553,720  
 - Income Approach: \$ 4,080,000  
 - Sales Comparison Approach: \$ 4,550,000  
 Opinion of Value: (Estimated Marketing Time 6-12 months) \$ 4,550,000  
 Cost of Repairs: \$        Cost of Additions: \$        "as will be after completion of proposed new improvements"  
 Allocation:  
     Land: \$ 2,475,000 \$ 4,297 /        ( 54 %)  
     Land Improvements: \$        \$ 0 /        ( 0 %)  
     Structural Improvement Contribution: \$ 2,075,000 \$ 3,602 /        ( 46 %)  
     Non-Realty Items: \$        \$ 0 /        ( 0 %)  
 Leased Fee Value (Remaining term of encumbrance       ) \$ 0 /        ( 0 %)  
 Leasehold Value: \$ 0 /        ( 0 %)  
 Overall Value: \$ 7,899 /        ( 100 %)  
 Income and Other Data Summary: ☒ Cash Rent ☐ Share ☐ Owner/Operator ☐ FAMC Suppl. Attached  
 Income Multiplier        (        ) Income Estimate: \$ 539.09 /        (unit)  
 Expense Ratio 27.82 % Expense Estimate: \$ 149.98 /        (unit)  
 Overall Cap Rate: 5.50 % Net Property Income: \$ 389.10 /        (unit)

## Area-Regional-Market Area Data and Trends:

	Above Avg	Avg	Below Avg	N/A
Value Trend		X		
Sales Activity Trend		X		
Property Comparability		X		
Effective Purchase Power		X		
Demand		X		
Development Potential		X		
Desirability		X		

## Subject Property Rating:

	Above Avg	Avg	Below Avg	N/A
Location		X		
Soil Quality/Productivity		X		
Improvement Rating		X		
Compatibility		X		
Rentability		X		
Market Appeal		X		
Overall Property Rating		X		

### Value Allocation

Schopf's Hilltop Dairy LLC, Dennis & Roxanne Schopf, Roger & Rosemary Schopf

<u>Land values / acre</u>		Acres
Site	\$8,000.00	35.00
Cropland A	\$4,200.00	430.10
Cropland B	\$3,150.00	45.00
Natural/Pasture	\$2,100.00	1.70
Wooded	\$3,780.00	64.60
Total acres		576.40

#### Schopf's Hilltop Dairy LLC

Site	20.00 acres
Cropland A	48.00 acres
Cropland B	31.00 acres
Natural/Pasture	0.70 acres
Wooded	0.00 acres

Total	99.70 acres	Land value	\$460,000.00
		Improvement value	\$845,000.00
		#8 - #10, #12 - #18	
		Proposed improvements	\$90,000.00
		#11	
		Total Value	\$1,395,000.00

#### Dennis & Roxanne Schopf

Site	13.50 acres
Cropland A	320.60 acres
Cropland B	14.00 acres
Natural/Pasture	1.00 acres
Wooded	54.10 acres

Total	403.20 acres	Land value	\$1,705,000.00
		Improvement value	\$1,040,000.00
		#1 - #7	
		Proposed improvements	\$0.00
		Total Value	\$2,745,000.00



Roger & Rosemary Schopf

Site	0.00 acres
Cropland A	61.50 acres
Cropland B	0.00 acres
Natural/Pasture	0.00 acres
Wooded	10.50 acres

Total	72.00 acres	Land value	\$298,000.00
		Improvement value	\$0.00
		Proposed improvements	\$0.00
		Total Value	\$298,000.00

Roger & Rosemary Schopf Life Estate

Site	1.50 acres
Cropland A	acres
Cropland B	acres
Natural/Pasture	acres
Wooded	acres

Total	1.50 acres	Land value	\$12,000.00
		Improvement value	\$100,000.00
		#19	
		Proposed improvements	\$0.00
		Total Value	\$112,000.00

Total Acres	576.40	Total Land	\$2,475,000.00
		Total Improvements	\$1,985,000.00
		Total Proposed Imp	<u>\$90,000.00</u>
		Total Contributions	\$4,550,000.00
		Fair Market Value	\$4,550,000.00

## Improvements

### **Dennis & Roxanne Schopf**

#### **House:**

- 80+ yrs., 1276 sf, 1 ½ story wood frame
- Stone foundation, vinyl siding, asphalt roof (7 yrs.)
- First floor—kitchen/ dining room, living room, 1 bedroom, bathroom
- Second floor—2 bedrooms
- Presently occupied by owners son

#### **Store**

- Built 2000, 4332 sf, steel/ wood frame, one-story
- Concrete floor & foundation
- Attached to north end and west side of parlor complex
- Retail sales area—operates 10 months/ year
  - Sales counter for food (ice cream, pizza, hot dogs, etc.), dairy products and souvenirs
  - Food preparation room (ice cream making)
  - Information area for viewing parlor operations and other educational displays & activities
  - Office area
  - Classroom or gathering area for educational purposes with closed circuit TV for viewing farm operation

#### **Parlor Complex**

- Built 2000, 4952 sf, steel/ pole frame
- Parlor, 40' x 70'
  - Tile lined concrete block walls, steel ceiling
  - 2 x 10 herringbone walk in parlor
  - Stainless steel stall equipment
  - De Laval dairy equipment
  - Rapid exit, auto take-offs, computer cow ID
  - In-floor heat and LP/ forced air heat
  - 4—3' ceiling exhaust fans
- Milk room—24' x 8'
  - 2—6000 gal. bulk tanks, plate cooler
- Office area—28' x 70'
  - Utility room, break room, office, restroom

#### **Holding Area**

- Built 2000, 44' x 60', steel/ pole frame
- Curtain sidewalls, open ridge, insulated roof w/ steel underside
- In-floor heat, sprinkler system, circulating fans, crowd gate
- Manure flushed to collection pit, pumped to freestall barn



**Manure Storage**

- Built 2004, 300' diameter x 16' high concrete walls, concrete floor
- 12,000,000 gal. capacity
- Under floor agitation system

**Horse Barn**

- Built 2008, 44' x 80', steel/ wood frame, one-story
- Built to match style of parlor complex / store
- Finished interior—tack room, feed room, office, bathroom, shop area
- 3—12' x 12' and 6—6' x 12' stalls w/ dirt floors
- Pony and horse rides complement the tourist attraction of the ice cream parlor

**Outdoor Riding Arena**

- Will be built in 2008, 150' x 280', sand base, attractively fenced for safe riding

**Improvements****Schopf's Hilltop Dairy LLC****Freestall Barn #1**

- Built 2000, 113' x 280', steel/ pole frame
- Curtain sidewalls, open ridge, , insulated roof
- 360 stalls w/ mattresses, 6-row configuration
- Drive-thru center feed alley w/ 25% headlocks
- Cattle sprinklers over feeding area
- Alley scrapers to center collection pit, pumped to concrete manure structure

**Breezeways**

- Built 2000, 10' x 200', 10' x 125', 26' x 88', steel/ wood frame/ 4' concrete wall
- Open sides, concrete floor, steel roof
- Connects holding area to FS Barn #1 & FS Barn #2
- Sorting area (26' x 88') south end of holding area, one closed sidewall & one curtain sidewall, insulated roof

**Freestall Barn #2**

- Built 1970/ 1980, 102' x 200' & 60' x 100', steel/ pole frame
- Vents on west wall, curtains on east wall, open ridge
- 170 freestalls w/ mattresses
- Center feed bunk
- Manure scraped to collection pit, pumped to concrete storage tank
- Addition—45 freestalls for pregnant heifers
- 2—30' x 60' maternity pens
- Cattle access outdoor concrete lot with drive-by feeding
- Solid manure scraped to concrete pad (65' x 75') w/ 5' concrete side walls

- Addition proposed for 2012
  - 82' x 70' added to north end of FS Barn #2
  - Steel / pole frame/ concrete, curtain sidewalls, insulated roof
  - 64 freestalls w/ mattresses, 5 row, 1 maternity pen
  - Add 30' to center feed bunk
  - 4- 48" intake fans in north end wall for positive air flow
  - 4- 48" fans located 70' from north end wall
  - 4- 36" exhaust fans on ridge, ridge is closed between fans
  - Cost estimates provided by owner—remove existing barn and construction of new building-\$112,000; fans, steelwork, electric, water, feed bunk-\$40,000; estimated labor provided by owner- \$20,000

#### **Old Parlor Complex- no contributory value**

- 30+ yrs., 12' x 60' & 20' x 48', steel/ wood frame
- Northwest corner of FS Barn #2
- 1 x 14 herringbone walk-in parlor, used for treated cows
- Milkroom used for pasteurizing treated milk

#### **Freestall Barn #3**

- Built 1993, 60' x 180', steel/ steel frame, insulated roof
- Remodeled 2004, 140 freestalls, 3-row, used for bred heifers
- One pen for weaned calves
- Open south side, curtains north side
- Drive-by feeding w/ headlocks
- Bedding & feed storage area
- Manure storage area—hailed weekly

#### **Shed/ Shop**

- Built 1985, 54' x 108', steel/ pole frame
- Shed area (54' x 68')—gravel floor, sliding doors north & west
- Shop area (54' x 68'), heated & insulated, concrete floor
  - West side—overhead and access doors
- Scale—1992, 25 ton capacity, scale readout inside shop

#### **Garage**

- Built 1992, 24' x 36', steel/ pole frame
- Concrete floor
- 3 overhead doors—east side

#### **Bunkers**

- Built 2000 and expanded 06/07
- 50' x 200' asphalt pad—west end
- 38' x 200' x 12' walls, 12' end wall
- 120' x 200' x 12' wall, 6' end wall
- 30' x 140' concrete apron
- Leachate system- built 2008, 50' x 250' asphalt pad, concrete runway, settling basin

**Silos**

- Harvestore, 20 x 80, Goliath unloader, HMSC
- Harvestore, 20 x 42, Spartan unloader, HMSC
- Concrete stave, 18 x 60, not used, no contributory value
- Concrete stave, 20 x 60, not used, no contributory value
- Concrete stave, 16 x 45, not used, no contributory value

**Grain Bins**

- 3000 bu, 1985, round, steel, perforated floor, fan, unloading auger
- 8500 bu, 1985, round, steel, perforated floor, fan, unloading auger
- 8500 bu, 1985, round, steel, perforated floor, fan, unloading auger
- 4000 bu, 2010, round, steel, used as wet bin for dryer
- Grain dryer—no contributory value

**Feed Bins**

- Steel, auger discharge: 4—8 ton, 1—12 ton, 2—16 ton

**Improvements w/ no contributory value**

- Slurrystore, 1990, 101' x 14'

## Improvements

### **Roger & Rosemary Life Estate**

**House**

- 45+ yrs., 2000 sf more or less, one-story wood frame
- Poured concrete and concrete block foundation
- Aluminum siding, asphalt roof
- Basement—crawl space only
- Kitchen, dining room, living room, 4 bedrooms, 2 bathrooms
- Remodeled 10 yrs., siding, new windows, bathroom fixtures
- LP/ hot water heat, central air conditioning
- Attached 2 ½ car garage—heated

## LEGAL DESCRIPTION

Tax key numbers of parcels included in this appraisal

Parcel	A	
<b><u>Schopf's Hilltop Dairy LLC</u></b>		
1	008 0135292621	20.00
2	008 0135292621A	19.28
3	008 0135292622C	17.72
4	022 0201282622	42.72
		99.72
<b><u>Dennis &amp; Roxanne Schopf</u></b>		
5	008 0134292614A	34.66
6	008 0135292633	35.00
7	008 0127292621C	50.00
8	008 0135292622	20.00
9	008 0135292622A	1.50
10	008 0135292623	40.00
11	008 0135292632	40.00
12	022 0201282621B	21.06
13	022 0201282632	20.64
14	008 0134292631A	25.90
15	008 0134292634A	39.38
16	008 0134292641	35.00
17	008 0134292642	40.00
		403.14
<b><u>Roger &amp; Rosemary Schopf</u></b>		
18	022 0201282631	40.00
19	022 0201282634	32.00
		72.00
<b><u>Roger &amp; Rosemary Schopf Life Estate</u></b>		
20	008 0135292622B	1.50
		1.50
<b>TOTALS</b>	<b>576.36</b>	

Schopf's Hilltop Dairy, LLC  
Equipment List 2015

EQUIPMENT	VALUE - 2015
IHC 1486 Tractor	\$12,800
Case IH Tractor, 4WD, 7120	\$28,000
IHC C Tractor	\$2,500
IHC M Tractor	\$3,000
IH 656 Tractor	\$6,000
IH A Tractor	\$2,500
IH B Tractor	\$2,500
<del>IH Tractor 2006</del>	<del>\$45,000</del>
Fox 3310 Chopper w/2 straw heads	\$1,900
MF Baler 228	\$1,600
Round Bale Fork	\$150
Silage Tiller Bunker Facer	\$5,000
Dump Cart	\$22,000
Terra Disk	\$55,000
20 HP Kubota Lawnmower 2021	\$7,500
Jaylor Mixer	\$40,000
IH Cub	\$2,000
Manitou Loader	\$70,000
Patz Manure Pumps -2	\$14,000
Houle Pumps -2	\$2,500
IH Truck Manure Tanker (Grey)	\$20,000
Kenworth Tk w/tank & Box/Flat Bed	\$60,000
Calumet Manure Tank 5000	\$18,000
Knight Manure Spreader	\$12,000
Teagele Bale Chopper	\$25,000
Agitation System Houle	\$50,000
Generator 80KW	\$7,400
Generator 100KW	\$9,000
Kubota RTV Dairy	\$8,000
Welder	\$2,700
Pressure Washer	\$2,600
Patz Feeder <del>S</del>	\$9,000
Feed Conveyors	\$4,000
Air Compressor/Dryer	\$5,000
MF 1250 4WD Tractor w/attachment	\$6,000
Cattle Trailer	\$3,400
Gooseneck Trailer	\$3,000
Sawdust Bucket	\$3,000
JD 6 row corn head 8810	\$52,000
Gehl 3640	<del>\$18,500</del> 24000.00
Gehl 5835	\$7,500
5640 XT	\$18,000
Houle 6380 Tanker	<del>\$1,000</del> 10000.00
Silage Tiller Skid Steer	\$2,500
Gruetts Snowblower	\$750
JD Corn Planter - 6 Row Narrow	\$2,000

## Schopf's Hilltop Dairy, LLC

## Equipment List 2015

Power Washer	\$2,400
Fox Blower	\$500
2 IH Blower	\$2,000
3 Sprayer - Lawn	\$1,600
2007 Chev Truck	\$15,000
2005 Colorado	\$2,000
S10 Feed trucks -2	\$2,500
2002 Check Truck w/plow	\$8,000
LN 800	\$3,000
Bunker Walls	\$15,000
Cement Blocks - 69	\$2,500
Tire Walls - 4000	\$12,000
Super Hutches - 5	\$10,000
Hutches - 50	\$7,500
Gas Tanks - 1000 gallons - 2	\$2,400
Gas tanks - 300 gallons w/pump-2	\$3,800
Gas Tank - 500 gallons w/pump	\$1,000
Fertilizer Tanks	\$10,000
Shop supplies and equipment	\$50,000
Pastuerizer	\$6,000
Feed bins w/auger - 4	\$10,000
Automatic Roller Mill	\$3,000
Agrimetal Roller Mill	\$3,000
Agrimetal Hammer Mill	\$3,000
Harvestor Silo Unloaders - 2	\$8,000
Bale Grapels - 2	\$6,000
LP Tanks -2	\$2,000
Fans - 56	\$44,000
Semen Tanks (2) and semen	\$2,500
Barn Supplies	\$2,500
Office Equipment & Supplies	\$2,000
Total Value	<del>\$917,500.00</del> # 887000.00

# Schopf's Hilltop Dairy

Operations Budget Only – No P&I in Plan

Version 12.07.15

## 2016 Annual Business Plan

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### Dairy Business

Dennis Schopf  
5169 Cty I  
Sturgeon Bay, WI 54235  
920-743-0212



**DAIRY BUSINESS  
CONSULTING**

Prepared By  
Dan Wenzel  
Wenzel Dairy Business Consulting, LLC  
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920-982-6274



# Schopf's Hilltop Dairy 2016 Budget Summary

<b>Total Projected Income</b>	<b>\$ 2,266,765</b>			
Feed PMS	\$ 453,223	20.0%		
Feed Forage/Grain	\$ 535,306	23.6%		
Custom Cattle/Buy Back	\$ -	0.0%	64.0%	\$ 13.14
Labor	\$ 461,652	20.4%		
Crop Expense	\$ -	0.0%		
Other	\$ 656,803	29.0%		
<b>Total Projected Expense</b>	<b>\$ 2,106,984</b>	<b>93.0%</b>		<b>\$ 19.09</b>
<b>Net Cash</b>	<b>\$ 159,781</b>			
<b>Total Projected P&amp;I</b>	<b>\$ -</b>	<b>0.0%</b>		<b>\$ -</b>

<b>Cash Surplus</b>	<b>\$ 159,781</b>
<b>Net Worth Gain</b>	<b>\$ -</b>
<b>Cash Breakeven Price</b>	<b>\$ 19.09</b>
<b>Acc Adj Cash Breakeven Price</b>	<b>\$ -</b>
<b>Cash Breakeven Pounds</b>	<b>82.5</b>
<b>Net Cash Available/Cow</b>	<b>\$ 414</b>
<b>Cash Price Margin/cwt</b>	<b>\$ 1.45</b>
<b>Net Worth % Change</b>	<b>#DIV/0!</b>



# Dairy Architect - Planner © Business Plan Assumptions

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## Schopf's Hilltop Dairy

12/7/2015

### Livestock Assumptions:

	2016
	<u>Jan-Dec</u>
Average Cows on Hand	386
Average Cows Milking	346
Average Cows in Tank	335
Lbs. Milk/Cow In Tank/Day	89.97
Lbs. Milk/Milking Cow/Day	87.30
Number of Milkings/Day	3.0
Annual Culling Rate, %	41%
Total Cows Culled	158
Total Cows Sold for Breeding	0
Annual Death Loss, %	7%
Total Cows Died	27
Raised Springers	122
Purch Open Market Springers	0
Purch Returning Springers	0
Heifers <60d Raised -----	Y
Percent of Group @ Grower	0%
Heifers 60d to <7m Raised --	Y
Percent of Group @ Grower	0%
Open Heifers > 6 m Raised --	Y
Percent of Group @ Grower	0%
Bred Heifers Raised -----	Y
Percent of Group @ Grower	0%
Age Heifers Leave Farm, Mo.	0
Age Heifers Return, Mo.	0
YE Owned Heifers < 7 mo	99
YE Owned Open Heifers > 6 mo	139
YE Owned Bred Heifers	146
Gross Milk Price, \$/Cwt.	17.51
Basis Before Hauling, \$/Cwt.	2.00
Milk Hauling Cost, \$/Cwt.	0.50
Cull Cow Sales Price	1,200.00
Breeding Cow Sales Price	-
Open Market Springer Price	-
Returning Springer Price	1,950.00
Bull Calf Sales Price	200.00
Heifer Calf Sales Price	-

Milk prices based on CME Class III on 12/3/15 plus a basis of 12.6% of Class III

Assumed all heifers raised on farm. None custom raised.

Assumed 35 hd brought back from Evenson's are paid for and owned. No other cattle purchases assumed in the plan.

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**Business Plan Assumptions**  
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**Schopf's Hilltop Dairy**

12/7/2015

**Cropping Assumptions:**

	<u>2016</u>
Total Crop Acres	-
Corn Silage, Acres	-
DM Yield, Tons/Acre	-
Alfalfa Haylage, Acres	-
DM Yield, Tons/Acre	-
Alfalfa Hay, Acres	-
DM Yield, Tons/Acre	-
Straw, Acres	-
DM Yield, Tons/Acre	-
Refusal, Acres	-
DM Yield, Tons/Acre	-
Corn Grain, Acres	-
DM Yield, Tons/Acre	-
, Acres	-
DM Yield, Tons/Acre	-
, Acres	-
DM Yield, Tons/Acre	-
, Acres	-
DM Yield, Tons/Acre	-
Grain #5, Acres	-
DM Yield, Tons/Acre	-
Grain #6, Acres	-
DM Yield, Tons/Acre	-
Grain #7, Acres	-
DM Yield, Tons/Acre	-
Grain #8, Acres	-
DM Yield, Tons/Acre	-

Assumed all forage, grain, and straw bought from S&B Cropping. Schopf's Dairy raises no crops.  
Assumed to by silage at \$41.50/t (35% dm), haylage \$72/t (40% dm), corn \$145/t (85% dm), straw \$120/t (85% dm)

**Labor Assumptions:**

	<u>2016</u>
Owner Draws	-
Salaried & Hourly	427,500
Hired Management	-
Benefits & Insurance	34,152
Taxes	-
Total Labor Cost, \$/Cwt.	4.18
Total Labor Cost, \$/Cow/Day	3.26

Hourly labor in plan is TOTAL costs of wages, taxes, benefits, workmans comp, owner draws per Schopf's

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**Business Plan Assumptions**  
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**Schopf's Hilltop Dairy**

12/7/2015

**Capital Assumptions:**

<b>Capital Purchases</b>	<b><u>2016</u></b>
Dairy Livestock	-
Heifer Livestock	-
Other Livestock	-
Risk Prot. Milk	-
Non-Lvstk Intermediate	-
Long Term	-
Total	-
<b>Capital Sales</b>	
Owner Equity Contrib/(Draw)	-
Breeding/Cows & Bulls	-
Breeding/Heifers	-
Breeding/Other	-
Non-Lvstk, Intermediate	-
Long Term	-
Total	-
<b>New Credit (Money Borrowed)</b>	
Short Term Loans	-
Intermediate Term Loans	-
Long Term Loans	-
Total	-
YE Operating Loan Balance	1,123,892

**Source and Use of Funds**

Assumed no capital purchases in 2016

Assumed heifer back of 35 hd at \$1,950/hd between May-Sep 2015 and shown as an operating expense

Assumed dairy buys all feed and has no inventory - buy monthly as needed

Assumed 0% shrink on forages and grains. Plan buys what goes into TMR. S&B takes shrink and is in purchase price.

Assumed S&B rents land from Schopf's Dairy for \$125/acre on 413 acres

No custom manure hauling - dairy owns equipment and S&B provides labor for manure value

Goal to milk 450 cows every day - maximum facility use

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**Sensitivity & Visual Analysis**  
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**Schopf's Hilltop Dairy**

12/7/2015

Assumption	Test			Year 1 - 2016	
				Base	Profit Impact
Cow Numbers	5% Less Cows			386 Total Cows	-\$86,999 /yr -4,967 Cwt./yr -2.58 Lb./cow/day
Milk Production	5% Less Production			28,350 Lb./cow/yr	-\$95,966 /yr -5,479 Cwt./yr -2.85 Lb./cow/day
Milk Price / Cwt.	\$0.50 / Cwt. Reduction			\$17.56 /Cwt.	-\$56,977 /yr -3,253 Cwt./yr -1.69 Lb./cow/day
Labor Costs + Benefits & Taxes	10% Cost Increase			\$461,652	-\$46,165 /yr -2,636 Cwt./yr -1.37 Lb./cow/day
Total Feed Costs	10% Cost Increase			\$988,353	-\$98,835 /yr -5,643 Cwt./yr -2.93 Lb./cow/day
Annual Expense Before Interest	5% Cost Increase			\$2,262,710	-\$113,135 /yr -6,459 Cwt./yr -3.35 Lb./cow/day



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Cash Flow Detail

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DAIRY BUSINESS  
CONSULTING

12/7/2015

Schopf's Hilltop Dairy

2016

Income

Beginning Cash Balance  
Ag Program Receipts  
Crop Sales  
Gain or (Loss)/Investments  
Interest Income  
Lvstk. Sales/Calf/Bull  
Lvstk. Sales/Calf/Heifer  
Lvstk. Sales/Cull/Bulls  
Lvstk. Sales/Cull/Cows  
Lvstk. Sales/Cull/Heifers  
Lvstk. Sales/Market Livestock  
Milk Sales  
Miscellaneous Income  
Other Dividend  
Patronage/Cash  
Risk Protection/Hedging (Milk)  
Risk Protection/Hedging (Non-Milk)  
Land Rental Income from S&B

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Beginning Cash Balance	-	-	-	-	-	-	-	-	-	-	15,000	-	15,000
Ag Program Receipts	-	-	-	-	-	-	-	-	-	-	-	-	-
Crop Sales	-	-	-	-	-	-	-	-	-	-	-	-	-
Gain or (Loss)/Investments	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-	-	-	-	-	-	-
Lvstk. Sales/Calf/Bull	6,000	4,000	2,600	2,000	2,600	3,400	3,800	3,600	3,000	3,000	4,200	3,200	41,400
Lvstk. Sales/Calf/Heifer	-	-	-	-	-	-	-	-	-	-	-	-	-
Lvstk. Sales/Cull/Bulls	-	-	-	-	-	-	-	-	-	-	-	-	-
Lvstk. Sales/Cull/Cows	16,800	14,400	14,400	14,400	14,400	14,400	14,400	21,600	21,600	15,600	13,200	14,400	189,600
Lvstk. Sales/Cull/Heifers	-	-	-	-	-	-	-	-	-	-	-	-	-
Lvstk. Sales/Market Livestock	-	-	-	-	-	-	-	-	-	-	-	-	-
Milk Sales	173,732	164,070	160,221	169,657	156,519	160,595	161,119	171,222	172,344	159,906	161,107	148,647	1,959,140
Miscellaneous Income	833	833	833	833	833	833	833	833	833	833	833	833	10,000
Other Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-
Patronage/Cash	-	-	-	-	-	-	-	-	-	-	-	-	-
Risk Protection/Hedging (Milk)	-	-	-	-	-	-	-	-	-	-	-	-	-
Risk Protection/Hedging (Non-Milk)	-	-	-	-	-	-	-	-	-	-	-	-	-
Land Rental Income from S&B	4,302	4,302	4,302	4,302	4,302	4,302	4,302	4,302	4,302	4,302	4,302	4,302	51,625
	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Income	201,667	187,605	182,356	191,193	178,654	183,530	184,454	201,558	202,080	183,642	198,643	171,383	2,266,765

Total Income

Expense

Bedding  
Breeding Expenses  
Bst Supplies  
Crop Exp./Chemical  
Crop Exp./Consulting  
Crop Exp./Custom Hire  
Crop Exp./Fertilizer  
Crop Exp./Insurance  
Crop Exp./Other  
Crop Exp./Rent or Lease  
Crop Exp./Seed  
Custom Hire  
Custom/Manure Removal/Application  
Custom/Heifer Growing  
Custom/Dry Cow Care  
Equipment Rent or Lease  
Facility Rent or Lease  
Feed Exp./Nutritionist/Testing  
Feed Exp./Corn and Grain  
Feed Exp./Corn Silage  
Feed Exp./Hay  
Feed Exp./Haylage  
Feed Exp./Non-Forage/Non-Grain Feeds  
Freight/Non-Feed/Non-Lvstk.  
Fuels, Oil and Lube  
Insurance/Liability and Property  
Insurance/Vehicle  
Labor/Draw #1  
Labor/Draw #2  
Labor/Employee Benefits  
Labor/Hired Management  
Labor/Hourly  
Labor/Insur. (Health,Life,Other)  
Labor/Salaried  
Labor/Taxes (FICA,FUTA,SUTA,Medicare)  
Labor/Workmans Compensation  
Marketing/Culls  
Marketing/Milk  
Marketing/Milk Hauling  
Marketing/Other Lvstk.  
Marketing/Risk Prot. and Hedging (Milk)  
Miscellaneous Expenses  
Misc. Business/Bank Charges  
Misc. Business/Dues, Subs., Ads

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Bedding	3,384	3,368	3,257	3,154	3,042	2,971	2,995	3,011	2,931	2,899	2,923	2,891	36,825
Breeding Expenses	1,322	1,690	1,506	2,571	1,873	1,543	881	495	660	825	935	880	15,181
Bst Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-
Crop Exp./Chemical	-	-	-	-	-	-	-	-	-	-	-	-	-
Crop Exp./Consulting	-	-	-	-	-	-	-	-	-	-	-	-	-
Crop Exp./Custom Hire	-	-	-	-	-	-	-	-	-	-	-	-	-
Crop Exp./Fertilizer	-	-	-	-	-	-	-	-	-	-	-	-	-
Crop Exp./Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-
Crop Exp./Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Crop Exp./Rent or Lease	-	-	-	-	-	-	-	-	-	-	-	-	-
Crop Exp./Seed	-	-	-	-	-	-	-	-	-	-	-	-	-
Custom Hire	-	-	-	-	-	-	-	-	-	-	-	-	-
Custom/Manure Removal/Application	-	-	-	-	-	-	-	-	-	-	-	-	-
Custom/Heifer Growing	-	-	-	-	-	-	-	-	-	-	-	-	-
Custom/Dry Cow Care	-	-	-	-	-	-	-	-	-	-	-	-	-
Equipment Rent or Lease	3,769	3,769	3,769	3,769	3,769	3,769	3,769	3,769	3,769	3,769	3,769	3,769	45,228
Facility Rent or Lease	-	-	-	-	-	-	-	-	-	-	-	-	-
Feed Exp./Nutritionist/Testing	-	-	-	-	-	-	-	-	-	-	-	-	-
Feed Exp./Corn and Grain	9,870	9,579	9,992	9,034	9,034	8,755	9,041	8,945	8,326	8,494	7,937	8,003	107,009
Feed Exp./Corn Silage	16,185	14,940	16,185	14,940	13,695	14,940	14,940	13,695	13,695	13,695	13,695	13,695	174,300
Feed Exp./Hay	742	577	570	590	644	636	654	607	599	685	646	806	7,757
Feed Exp./Haylage	21,600	17,280	19,440	21,600	19,440	21,600	21,600	19,440	21,600	19,440	21,600	21,600	246,240
Feed Exp./Non-Forage/Non-Grain Feeds	41,259	39,456	40,787	37,703	37,114	37,244	38,444	37,655	35,420	36,973	34,435	36,733	453,223
Freight/Non-Feed/Non-Lvstk.	4,306	4,306	4,306	4,306	4,306	4,306	4,306	4,306	4,306	4,306	4,306	4,306	51,674
Fuels, Oil and Lube	3,900	3,900	3,900	3,900	3,900	3,900	3,900	3,900	3,900	3,900	3,900	3,900	46,800
Insurance/Liability and Property	4,950	4,950	4,950	4,950	4,950	4,950	4,950	4,950	4,950	4,950	4,950	4,950	59,400
Insurance/Vehicle	-	-	-	-	-	-	-	-	-	-	-	-	-
Labor/Draw #1	-	-	-	-	-	-	-	-	-	-	-	-	-
Labor/Draw #2	-	-	-	-	-	-	-	-	-	-	-	-	-
Labor/Employee Benefits	-	-	-	-	-	-	-	-	-	-	-	-	-
Labor/Hired Management	-	-	-	-	-	-	-	-	-	-	-	-	-
Labor/Hourly	35,625	35,625	35,625	35,625	35,625	35,625	35,625	35,625	35,625	35,625	35,625	35,625	427,500
Labor/Insur. (Health,Life,Other)	2,846	2,846	2,846	2,846	2,846	2,846	2,846	2,846	2,846	2,846	2,846	2,846	34,152
Labor/Salaried	-	-	-	-	-	-	-	-	-	-	-	-	-
Labor/Taxes (FICA,FUTA,SUTA,Medicare)	-	-	-	-	-	-	-	-	-	-	-	-	-
Labor/Workmans Compensation	-	-	-	-	-	-	-	-	-	-	-	-	-
Marketing/Culls	-	-	-	-	-	-	-	-	-	-	-	-	-
Marketing/Milk	1,540	1,480	1,528	1,377	1,385	1,361	1,423	1,410	1,300	1,314	1,223	1,218	16,559
Marketing/Milk Hauling	5,134	4,933	5,092	4,590	4,617	4,536	4,743	4,701	4,334	4,380	4,077	4,059	55,196
Marketing/Other Lvstk.	-	-	-	-	-	-	-	-	-	-	-	-	-
Marketing/Risk Prot. and Hedging (Milk)	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Misc. Business/Bank Charges	-	-	-	-	-	-	-	-	-	-	-	-	-
Misc. Business/Dues, Subs., Ads	-	-	-	-	-	-	-	-	-	-	-	-	-

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Cash Flow Detail

Version 1.32



DAIRY BUSINESS  
CONSULTING

12/7/2015

**Schopf's Hilltop Dairy**

2016

Misc. Business/License and Fees  
Outside Services/DHIA Testing  
Outside Services/Other  
Outside Services/Pest Control  
Personal Expenses  
Professional/Accounting  
Professional/Consulting  
Professional/Legal  
Professional/Other  
Repairs and Maint./Equipment  
Repairs and Maint./Facility  
Risk Protection/Hedging (Non-Milk)  
Supplies/Livestock  
Supplies/Milking  
Supplies/Non-Dairy  
Supplies/Office  
Taxes/Income/Federal  
Taxes/Income/State  
Taxes/Property  
Utilities/Electric  
Utilities/Garbage  
Utilities/Phone  
Utilities/Propane/NG  
Utilities/Sewage  
Utilities/Water  
Veterinary/Hoof and Feet  
Veterinary/Med Supplies  
Veterinary/Service/Consulting  
Lime

Minimum Cash Bal. [ \$.]

Total Operating Expenses

Cash Operating Surplus

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-
375	375	375	375	375	375	375	375	375	375	375	375	4,500
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-
1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	20,000
333	333	333	333	333	333	333	333	333	333	333	333	4,000
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-
7,546	7,510	7,262	7,032	6,784	6,624	6,678	6,713	6,536	6,465	6,518	6,447	82,115
125	125	125	125	125	125	125	125	125	125	125	125	1,500
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-
6,000	-	-	-	-	-	6,000	-	-	-	-	-	12,000
5,640	5,640	5,640	5,640	5,640	5,640	5,640	5,640	5,640	5,640	5,640	5,640	67,680
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-
802	802	802	802	802	802	802	802	802	802	802	802	9,624
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-
3,296	3,281	3,172	3,072	2,963	2,894	2,917	2,933	2,855	2,824	2,847	2,816	35,871
7,962	7,925	7,663	7,420	7,159	6,990	7,046	7,084	6,897	6,822	6,878	6,803	86,651
-	-	-	-	-	-	-	-	-	-	-	-	-
500	500	500	500	500	500	500	500	500	500	500	500	6,000
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-
190,677	176,856	181,291	177,920	172,589	174,932	182,200	171,527	169,990	169,656	168,553	170,791	2,106,984
10,990	10,749	1,065	13,272	6,065	8,598	2,254	30,031	32,089	13,986	30,090	592	159,781



**Dairy Architect - Planner ©**  
**Cash Flow Summary**  
Version 1.32



12/7/2015

**Schopf's Hilltop Dairy**

**2016**

**Income**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Beginning Cash Balance	-	-	-	-	-	-	-	-	-	-	-	-	-
Crop Sales	-	-	-	-	-	-	-	-	-	-	-	-	231,000
Lvstk. Sales	22,800	18,400	17,000	16,400	17,000	17,800	18,200	25,200	24,600	18,600	17,400	17,600	1,959,140
Milk Sales	173,732	164,070	160,221	169,657	156,519	160,595	161,119	171,222	172,344	159,906	161,107	148,647	76,625
Miscellaneous Income	5,135	5,135	5,135	5,135	5,135	5,135	5,135	5,135	5,135	5,135	20,135	5,135	-
Patronage/Cash & Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-
Risk Protection/Hedging	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Income</b>	<b>201,667</b>	<b>187,605</b>	<b>182,356</b>	<b>191,193</b>	<b>178,654</b>	<b>183,530</b>	<b>184,454</b>	<b>201,558</b>	<b>202,080</b>	<b>183,642</b>	<b>198,643</b>	<b>171,383</b>	<b>2,266,765</b>

**Expense**

Bedding	3,384	3,368	3,257	3,154	3,042	2,971	2,995	3,011	2,931	2,899	2,923	2,891	36,825
Breeding Expenses	1,322	1,690	1,506	2,571	1,873	1,543	881	495	660	825	935	880	15,181
Bst Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-
Crop Exp.	-	-	-	-	-	-	-	-	-	-	-	-	-
Custom Hire (Non-Crop)	-	-	-	-	-	-	-	-	-	-	-	-	-
Custom Heifer Growing	-	-	-	-	-	-	-	-	-	-	-	-	-
Equip & Facility Rent or Lease	3,769	3,769	3,769	3,769	3,769	3,769	3,769	3,769	3,769	3,769	3,769	3,769	45,228
Feed Exp./All Purchased	89,655	81,832	86,974	83,867	79,927	83,175	84,679	80,342	79,640	79,288	78,313	80,837	988,528
Fuels, Oil and Lube	3,900	3,900	3,900	3,900	3,900	3,900	3,900	3,900	3,900	3,900	3,900	3,900	46,800
Insurance	4,950	4,950	4,950	4,950	4,950	4,950	4,950	4,950	4,950	4,950	4,950	4,950	59,400
Labor + Benefits + Taxes + Family	38,471	38,471	38,471	38,471	38,471	38,471	38,471	38,471	38,471	38,471	38,471	38,471	461,652
Marketing & Freight	10,980	10,719	10,925	10,273	10,309	10,203	10,472	10,418	9,940	10,001	9,606	9,583	123,429
Miscellaneous Expenses	500	500	500	500	500	500	500	500	500	500	500	500	6,000
Misc. Business	-	-	-	-	-	-	-	-	-	-	-	-	-
Outside Services & Professional	375	375	375	375	375	375	375	375	375	375	375	375	4,500
Repairs and Maint.	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000
Risk Protection & Hedging (All)	-	-	-	-	-	-	-	-	-	-	-	-	-
Supplies	7,671	7,635	7,387	7,157	6,909	6,749	6,803	6,838	6,661	6,590	6,643	6,572	83,615
Taxes - Fed, State and R.E.	6,000	-	-	-	-	-	6,000	-	-	-	-	-	12,000
Utilities	6,442	6,442	6,442	6,442	6,442	6,442	6,442	6,442	6,442	6,442	6,442	6,442	77,304
Veterinary & Health	11,258	11,206	10,836	10,492	10,122	9,884	9,963	10,016	9,752	9,646	9,726	9,620	122,522
Minimum Cash Bal. [ \$ ]	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Operating Expenses</b>	<b>190,677</b>	<b>176,856</b>	<b>181,291</b>	<b>177,920</b>	<b>172,589</b>	<b>174,932</b>	<b>182,200</b>	<b>171,527</b>	<b>169,990</b>	<b>169,656</b>	<b>168,553</b>	<b>170,791</b>	<b>2,106,984</b>
<b>Cash Operating Surplus</b>	<b>10,990</b>	<b>10,749</b>	<b>1,065</b>	<b>13,272</b>	<b>6,065</b>	<b>8,598</b>	<b>2,254</b>	<b>30,031</b>	<b>32,089</b>	<b>13,986</b>	<b>30,090</b>	<b>592</b>	<b>159,781</b>

**Dairy Architect - Planner ©**  
**Animal Operations**  
Version 1.32



**Schopf's Hilltop Dairy**

12/04/15

**First Year Estimations:**

	2016		
Total Cows On Farm	386	Bull Calves Born	231
Cows In Milk	346	Heifer Calves Born	215
Cows With Milk In Tank	335	Total Heifers Raised	122
Average Percent In Milk <sup>a</sup>	87%	Total Heifers Purchased	0
Total Dry Cows	41	Total Heifers Sold	0
Total Cows Culled	158	Total Animals Bred	276
Total Extra Cows Sold	0	Total Replacement Animals	122
Total Cows Died	27	Total Animals To Freshen	474
Percent Culled	41%		
Percent Died	7%		
Percent Culled/Died	48%		

<sup>a</sup> Percent of total cows whose milk is going into bulk tank

**Estimated Monthly Animal Variations**

2016	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	YTD
Cwt. Of Milk Sold	10,267	9,866	10,184	9,180	9,235	9,072	9,486	9,402	8,667	8,761	8,154	8,119	110,392
Total Cows On Farm	426	424	410	397	383	374	377	379	369	365	368	364	386
Cows In Milk	379	390	376	351	341	346	350	347	331	324	311	300	346
Cows with Milk In Tank	368	378	365	340	331	336	340	337	321	314	302	291	335
Cows Freshened	52	34	30	21	30	33	26	19	25	24	31	27	352
Heifers Freshened	16	12	0	2	0	6	17	22	10	11	16	10	122
Total Dry Cows	47	34	34	46	42	28	27	32	38	41	57	64	41
Cows Dried Off	30	21	30	33	26	19	25	24	31	27	47	34	347
Cows Culled	14	12	12	12	12	12	12	18	18	13	11	12	158
Extra Cows Sold	0	0	0	0	0	0	0	0	0	0	0	0	0
Springers Sold	0	0	0	0	0	0	0	0	0	0	0	0	0
Cows Died	3	2	2	3	2	3	2	2	2	2	2	2	27
Cows Bred	24	31	27	47	34	28	16	9	12	15	17	16	276
Raised Heif to Tran <sup>a</sup>	12	0	2	0	6	17	22	10	11	16	10	16	122
Purch Heif to Tran <sup>a</sup>	0	0	0	0	0	0	0	0	0	0	0	0	0
Returning Heifers in Purch Heif to Tran <sup>b</sup>	0	0	0	0	0	0	0	0	0	0	0	0	0

**Estimated Replacement Heifers**

2016	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Heif <60d @ Farm	38	48	31	22	22	28	33	34	32	30	34	34
Heif <60d @ Grower	0	0	0	0	0	0	0	0	0	0	0	0
Heif <7m @ Farm	67	61	71	67	69	70	53	50	55	62	65	64
Heif <7m @ Grower	0	0	0	0	0	0	0	0	0	0	0	0
Heif. >6m @ Farm	124	129	132	143	139	132	144	153	147	144	141	138
Heif. >6m @ Grower	0	0	0	0	0	0	0	0	0	0	0	0
Bred Heif @ Farm	96	94	110	120	133	143	143	130	137	139	138	146
Bred Heif @ Grower	0	0	0	0	0	0	0	0	0	0	0	0
Open Heifers < 7 mo	105	109	102	89	91	98	86	84	87	92	99	98
Open Heifers > 6 mo	124	129	132	143	139	132	144	153	147	144	141	138
Bred Heifers	96	94	110	120	133	143	143	130	137	139	138	146
Total Heifers	325	332	344	352	363	373	373	367	371	375	378	382



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**Dairy Feed Budget**

Version 1.32



**PRODUCER & HERD INFORMATION:**  
**Schopf's Hilltop Dairy**

12/07/15

**Planning Year - 2016**

Feeds	Raise/Purch	Unit	\$\$/Unit	DM, %	Total Units (AF)	Total Value	Units Per Cow	Value Per Cow
<b>Producing &amp; Dry Cows</b>								
Corn Silage #1	P	Tons	\$ 41.50	35.00%	3,875	\$ 160,826	10.03	\$ 416.29
Corn Silage #2	P	Tons	\$ -	0.00%	-	\$ -	-	\$ -
Alfalfa Haylage #1	P	Tons	\$ 72.00	40.00%	1,286	\$ 92,568	3.33	\$ 239.61
Alfalfa Haylage #2	P	Tons	\$ -	0.00%	-	\$ -	-	\$ -
Alfalfa Hay #1	P	Tons	\$ -	85.00%	-	\$ -	-	\$ -
Alfalfa Hay #2	P	Tons	\$ -	0.00%	-	\$ -	-	\$ -
Straw	P	Tons	\$ 120.00	85.00%	65	\$ 7,763	0.17	\$ 20.09
Refusal	P	Tons	\$ -	0.00%	-	\$ -	-	\$ -
Corn Grain	P	Tons	\$ 145.00	85.00%	718	\$ 104,080	1.86	\$ 269.40
0	P	Tons	\$ -	0.00%	-	\$ -	-	\$ -
0	P	Tons	\$ -	0.00%	-	\$ -	-	\$ -
0	P	Tons	\$ -	0.00%	-	\$ -	-	\$ -
Grain #5	P	Tons	\$ -	0.00%	-	\$ -	-	\$ -
Grain #6	P	Tons	\$ -	0.00%	-	\$ -	-	\$ -
Grain #7	P	Tons	\$ -	0.00%	-	\$ -	-	\$ -
Grain #8	P	Tons	\$ -	0.00%	-	\$ -	-	\$ -
Post Fresh	P	Tons	\$ 356.00		98	\$ 34,866	0.25	\$ 90.25
Protein 1:2	P	Tons	\$ 356.00		559	\$ 199,165	1.45	\$ 515.53
Protein 4:5	P	Tons	\$ 356.00		363	\$ 129,272	0.94	\$ 334.61
Dry Cow Mineral	P	Tons	\$ 200.00		4	\$ 703	0.01	\$ 1.82
Prefresh	P	Tons	\$ 508.00		57	\$ 28,954	0.15	\$ 74.95
Heifer Mineral	P	Tons	\$ -		-	\$ -	-	\$ -
0	P	Tons	\$ -		-	\$ -	-	\$ -
Pen 18 protein	P	Tons	\$ -		-	\$ -	-	\$ -
0	P	Tons	\$ -		-	\$ -	-	\$ -
Calf Grain	P	Tons	\$ -		-	\$ -	-	\$ -
Energy Boost	P	Tons	\$ 1,300.00		11	\$ 13,890	0.03	\$ 35.95
0	P	Tons	\$ -		-	\$ -	-	\$ -
0	P	Tons	\$ -		-	\$ -	-	\$ -
0	P	Tons	\$ -		-	\$ -	-	\$ -
Non F/G Feed #15	P	Tons	\$ -		-	\$ -	-	\$ -
Non F/G Feed #16	P	Tons	\$ -		-	\$ -	-	\$ -
<b>Total Producing &amp; Dry Cows</b>						<b>\$ 772,087</b>		<b>\$ 1,998</b>

Nutritionist - **Kevin 12/3/15**

**Dairy Architect - Planner ©**  
**Dairy Feed Budget**

Version 1.32



**PRODUCER & HERD INFORMATION:**

Schopf's Hilltop Dairy

12/07/15

**Planning Year - 2016**

Replacement Heifers	Raise/Purch	Unit	\$\$/Unit	DM, %	Total Units (AF)	Total Value	Units Per Cow	Value Per Cow
Corn Silage #1	P	Tons	\$ 41.50	35.00%	304	\$ 12,605	0.79	\$ 32.63
Corn Silage #2	P	Tons	\$ -	0.00%	-	\$ -	-	\$ -
Alfalfa Haylage #1	P	Tons	\$ 72.00	40.00%	2,127	\$ 153,129	5.51	\$ 396.36
Alfalfa Haylage #2	P	Tons	\$ -	0.00%	-	\$ -	-	\$ -
Alfalfa Hay #1	P	Tons	\$ -	85.00%	-	\$ -	-	\$ -
Alfalfa Hay #2	P	Tons	\$ -	0.00%	-	\$ -	-	\$ -
Straw	P	Tons	\$ -	85.00%	-	\$ -	-	\$ -
Refusal	P	Tons	\$ -	0.00%	145	\$ -	0.37	\$ -
Corn Grain	P	Tons	\$ 145.00	85.00%	20	\$ 2,942	0.05	\$ 7.62
0	P	Tons	\$ -	0.00%	-	\$ -	-	\$ -
0	P	Tons	\$ -	0.00%	-	\$ -	-	\$ -
0	P	Tons	\$ -	0.00%	-	\$ -	-	\$ -
Grain #5	P	Tons	\$ -	0.00%	-	\$ -	-	\$ -
Grain #6	P	Tons	\$ -	0.00%	-	\$ -	-	\$ -
Grain #7	P	Tons	\$ -	0.00%	-	\$ -	-	\$ -
Grain #8	P	Tons	\$ -	0.00%	-	\$ -	-	\$ -
Post Fresh	P	Tons	\$ -		-	\$ -	-	\$ -
Protein 1:2	P	Tons	\$ -		-	\$ -	-	\$ -
Protein 4:5	P	Tons	\$ -		-	\$ -	-	\$ -
Dry Cow Mineral	P	Tons	\$ -		-	\$ -	-	\$ -
Prefresh	P	Tons	\$ -		-	\$ -	-	\$ -
Heifer Mineral	P	Tons	\$ 434.00		79	\$ 34,313	0.20	\$ 88.82
0	P	Tons	\$ -		-	\$ -	-	\$ -
Pen 18 protein	P	Tons	\$ 312.00		22	\$ 6,746	0.06	\$ 17.46
0	P	Tons	\$ -		-	\$ -	-	\$ -
Calf Grain	P	Tons	\$ 380.00		18	\$ 6,834	0.05	\$ 17.69
Energy Boost	P	Tons	\$ -		-	\$ -	-	\$ -
0	P	Tons	\$ -		-	\$ -	-	\$ -
0	P	Tons	\$ -		-	\$ -	-	\$ -
0	P	Tons	\$ -		-	\$ -	-	\$ -
Non F/G Feed #15	P	Tons	\$ -		-	\$ -	-	\$ -
Non F/G Feed #16	P	Tons	\$ -		-	\$ -	-	\$ -
<b>Total Replacement Heifers</b>						<b>\$ 216,569</b>		<b>\$ 561</b>
<b>Total Dairy &amp; Heifers</b>						<b>\$ 988,656</b>		<b>\$ 2,559</b>

Nutritionist - Kevin 12/3/15

**Dairy Architect - Planner ©**  
**Dairy Feed Budget**

Version 1.32



12/07/15

**PRODUCER & HERD INFORMATION:**  
**Schopf's Hilltop Dairy**

**Planning Year - 2016**

**Total Herd Feed Costs & Margins:**

		-----As Fed Including Losses to Shrink & Wastage-----			
		-----Factors For 12 Month Period-----			
		All Cows (Lact-Dry)	All Heifers	All Dairy Cows & Heifers	
<b>Total Milk Income</b>	<b>Total \$</b>	1,933,496	-----	-----	1,933,496
	<b>\$/Cow</b>	5,004.74	-----	-----	5,004.74
	<b>\$/Cwt.</b>	17.51	-----	-----	17.51
<b>Forage Feed Cost</b>	<b>Total \$</b>	261,157	165,734	-----	426,891
	<b>% of Milk</b>	13.51%	0.00%	-----	13.51%
	<b>\$/Cow</b>	675.99	428.99	-----	1,104.98
	<b>\$/Cwt.</b>	2.37	1.50	-----	3.87
<b>Grain Feed Cost</b>	<b>Total \$</b>	104,080	2,942	-----	107,022
	<b>% of Milk</b>	5.38%	0.00%	-----	5.38%
	<b>\$/Cow</b>	269.40	7.62	-----	277.02
	<b>\$/Cwt.</b>	0.94	0.03	-----	0.97
<b>Non-Forage/Non-Grain Feed Cost</b>	<b>Total \$</b>	406,850	47,892	-----	454,743
	<b>% of Milk</b>	21.04%	0.00%	-----	21.04%
	<b>\$/Cow</b>	1,053.11	123.97	-----	1,177.07
	<b>\$/Cwt.</b>	3.69	0.43	-----	4.12
<b>Total Feed Cost</b>	<b>Total \$</b>	772,087	216,569	-----	988,656
	<b>% of Milk</b>	39.93%	0.00%	-----	39.93%
	<b>\$/Cow</b>	1,998.50	560.58	-----	2,559.07
	<b>\$/Cwt.</b>	6.99	1.96	-----	8.96
<b>Feed Budget Affects to Cash Flow:</b>					
<b>All Raised Feeds Cost</b>	<b>Total \$</b>	0	0	-----	0
	<b>% of Milk</b>	0.00%	0.00%	-----	0.00%
	<b>\$/Cow</b>	0.00	0.00	-----	0.00
	<b>\$/Cwt.</b>	0.00	0.00	-----	0.00
<b>All Purchased Feeds Cost</b>	<b>Total \$</b>	772,087	216,569	-----	988,656
	<b>% of Milk</b>	39.93%	0.00%	-----	39.93%
	<b>\$/Cow</b>	1,998.50	560.58	-----	2,559.07
	<b>\$/Cwt.</b>	6.99	1.96	-----	8.96

Nutritionist - **Kevin 12/3/15**

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**PRODUCER & HERD INFORMATION:**

### Schopf's Hilltop Dairy

**Planning Year - 2016**

**Nutritionist - Kevin 12/3/15**

12/07/15

Days In Pre-Fresh Dry Group		25												
Days in Post Fresh Group (Early Lactation)		30	30 Days	<input checked="" type="checkbox"/>	60 Days	<input type="checkbox"/>								
Days in Group Named to Right	Low	150	30 Days	<input type="checkbox"/>	60 Days	<input type="checkbox"/>	90 Days	<input type="checkbox"/>	120 Days	<input type="checkbox"/>	150 Days	<input checked="" type="checkbox"/>	180 Days	<input type="checkbox"/>

2016 - First Ration Set

For Months  through

**FEED PURCHASE INFORMATION:**

Available Feeds			Raised (R) Purchased (P)	Unit Tons Pounds	Unit Size	\$\$/Unit	Shrink & Wastage, %	DM, %	Ave. DM Yield/Acre	Double Crop
<b>Forages</b>			1X 12X							
1	Corn Silage #1	P	<input type="checkbox"/> <input type="checkbox"/>	Tons	2000	\$41.50	0.00%	35.00%	0.00	N
2	Corn Silage #2	P	<input type="checkbox"/> <input type="checkbox"/>	Tons	2000	\$0.00	0.00%	0.00%	0.00	N
3	Alfalfa Haylage #1	P	<input type="checkbox"/> <input type="checkbox"/>	Tons	2000	\$72.00	0.00%	40.00%	0.00	N
4	Alfalfa Haylage #2	P	<input type="checkbox"/> <input type="checkbox"/>	Tons	2000	\$0.00	0.00%	0.00%	0.00	N
5	Alfalfa Hay #1	P	<input type="checkbox"/> <input type="checkbox"/>	Tons	2000	\$120.00	0.00%	85.00%	0.00	N
6	Alfalfa Hay #2	P	<input type="checkbox"/> <input type="checkbox"/>	Tons	2000	\$0.00	0.00%	0.00%	0.00	N
7	Straw	P	<input type="checkbox"/> <input type="checkbox"/>	Tons	2000	\$120.00	0.00%	85.00%	0.00	N
8	Refusal	P	<input type="checkbox"/> <input type="checkbox"/>	Tons	2000	\$0.00	0.00%	0.00%	0.00	N
<b>Grains</b>										
1	Corn Grain	P	<input type="checkbox"/> <input type="checkbox"/>	Tons	2000	\$145.00	0.00%	85.00%	0.00	N
2		P	<input type="checkbox"/> <input type="checkbox"/>	Tons	2000	\$0.00	0.00%	0.00%	0.00	N
3		P	<input type="checkbox"/> <input type="checkbox"/>	Tons	2000	\$0.00	0.00%	0.00%	0.00	N
4		P	<input type="checkbox"/> <input type="checkbox"/>	Tons	2000	\$0.00	0.00%	0.00%	0.00	N
5	Grain #5	P	<input type="checkbox"/> <input type="checkbox"/>	Tons	2000	\$0.00	0.00%	0.00%	0.00	N
6	Grain #6	P	<input type="checkbox"/> <input type="checkbox"/>	Tons	2000	\$0.00	0.00%	0.00%	0.00	N
7	Grain #7	P	<input type="checkbox"/> <input type="checkbox"/>	Tons	2000	\$0.00	0.00%	0.00%	0.00	N
8	Grain #8	P	<input type="checkbox"/> <input type="checkbox"/>	Tons	2000	\$0.00	0.00%	0.00%	0.00	N
<b>Non-Forage/Non-Grain Feeds</b>										
1	Post Fresh	P		Tons	2000	\$356.00	5.00%			
2	Protein 1:2	P		Tons	2000	\$356.00	5.00%			
3	Protein 4:5	P		Tons	2000	\$356.00	5.00%			
4	Dry Cow Mineral	P		Tons	2000	\$200.00	2.00%			
5	Prefresh	P		Tons	2000	\$508.00	5.00%			
6	Heifer Mineral	P		Tons	2000	\$434.00	2.00%			
7		P		Tons	2000	\$0.00	0.00%			
8	Pen 18 protein	P		Tons	2000	\$312.00	5.00%			
9		P		Tons	2000	\$0.00	0.00%			
10	Calf Grain	P		Tons	2000	\$380.00	2.00%			
11	Energy Boost	P		Tons	2000	\$1,300.00	2.00%			
12		P		Tons	2000	\$0.00	0.00%			
13		P		Tons	2000	\$0.00	0.00%			
14		P		Tons	2000	\$0.00	0.00%			
15	Non F/G Feed #15	P		Tons	2000	\$0.00	0.00%			
16	Non F/G Feed #16	P		Tons	2000	\$0.00	0.00%			



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**Feedstuffs & Rations**

Version 1.32



**PRODUCER & HERD INFORMATION:**

**Schopf's Hilltop Dairy**

12/07/15

2016 - First Ration Set					
Lbs Fed Daily:	Producing Cows			Dry Cows	
Feedstuff	Post Fresh Group	High Group	Low Group	Early Dry Cows	Pre-Fresh Dry Cows & Heif
<b>Forages</b>					
--Daily Pounds As Fed Without Figuring for Shrink or Wastage--					
Corn Silage #1	52.6	62.5	53.1	0.0	38.0
Corn Silage #2	0.0	0.0	0.0	0.0	0.0
Alfalfa Haylage #1	15.5	18.8	16.3	59.0	0.0
Alfalfa Haylage #2	0.0	0.0	0.0	0.0	0.0
Alfalfa Hay #1	0.0	0.0	0.0	0.0	0.0
Alfalfa Hay #2	0.0	0.0	0.0	0.0	0.0
Straw	0.5	0.5	0.5	1.6	4.7
Refusal	0.0	0.0	0.0	0.0	0.0
<b>Grains</b>					
--Daily Pounds As Fed Without Figuring for Shrink or Wastage--					
Corn Grain	9.99	12.11	10.77	0.00	0.00
0	0.00	0.00	0.00	0.00	0.00
0	0.00	0.00	0.00	0.00	0.00
0	0.00	0.00	0.00	0.00	0.00
Grain #5	0.00	0.00	0.00	0.00	0.00
Grain #6	0.00	0.00	0.00	0.00	0.00
Grain #7	0.00	0.00	0.00	0.00	0.00
Grain #8	0.00	0.00	0.00	0.00	0.00
<b>Non-Forage/Non-Grain Feeds</b>					
--Daily Pounds As Fed Without Figuring for Shrink or Wastage--					
Post Fresh	12.90	0.00	0.00	0.00	0.00
Protein 1:2	0.00	16.67	0.00	0.00	0.60
Protein 4:5	0.00	0.00	14.27	0.00	0.00
Dry Cow Mineral	0.00	0.00	0.00	1.10	0.00
Prefresh	0.00	0.00	0.00	0.00	9.23
Heifer Mineral	0.00	0.00	0.00	0.00	0.00
0	0.00	0.00	0.00	0.00	0.00
Pen 18 protein	0.00	0.00	0.00	0.00	0.00
0	0.00	0.00	0.00	0.00	0.00
Calf Grain	0.00	0.00	0.00	0.00	0.00
Energy Boost	0.00	0.33	0.00	0.00	0.00
0	0.00	0.00	0.00	0.00	0.00
0	0.00	0.00	0.00	0.00	0.00
0	0.00	0.00	0.00	0.00	0.00
Non F/G Feed #15	0.00	0.00	0.00	0.00	0.00
Non F/G Feed #16	0.00	0.00	0.00	0.00	0.00

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**Feedstuffs & Rations**

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**PRODUCER & HERD INFORMATION:**

**Schopf's Hilltop Dairy**

12/07/15

**2016 - First Ration Set**

**Lbs Fed Daily:**

Feedstuff	Replacement Heifers			
	Bred Heifers	Open Heifers (> 6 mo)	Open Heifers (< 7 mo > 2)	Baby (0-2 mo)
<b>Forages</b>	--Daily Pounds As Fed Without Figuring for Shrink or Wastage--			
Corn Silage #1	0.0	8.9	6.9	0.0
Corn Silage #2	0.0	0.0	0.0	0.0
Alfalfa Haylage #1	45.0	35.8	14.6	0.0
Alfalfa Haylage #2	0.0	0.0	0.0	0.0
Alfalfa Hay #1	0.0	0.0	0.0	0.0
Alfalfa Hay #2	0.0	0.0	0.0	0.0
Straw	0.0	0.0	0.0	0.0
Refusal	6.2	0.0	0.0	0.0
<b>Grains</b>	--Daily Pounds As Fed Without Figuring for Shrink or Wastage--			
Corn Grain	0.0	0.0	1.8	0.0
0	0.0	0.0	0.0	0.0
0	0.0	0.0	0.0	0.0
0	0.0	0.0	0.0	0.0
Grain #5	0.0	0.0	0.0	0.0
Grain #6	0.0	0.0	0.0	0.0
Grain #7	0.0	0.0	0.0	0.0
Grain #8	0.0	0.0	0.0	0.0
<b>Non-Forage/Non-Grain Feeds</b>	--Daily Pounds As Fed Without Figuring for Shrink or Wastage--			
Post Fresh	0.00	0.00	0.00	0.00
Protein 1:2	0.00	0.00	0.00	0.00
Protein 4:5	0.00	0.00	0.00	0.00
Dry Cow Mineral	0.00	0.00	0.00	0.00
Prefresh	0.00	0.00	0.00	0.00
Heifer Mineral	1.59	1.59	0.00	0.00
0	0.00	0.00	0.00	0.00
Pen 18 protein	0.00	0.00	1.79	0.00
0	0.00	0.00	0.00	0.00
Calf Grain	0.00	0.00	0.00	3.00
Energy Boost	0.00	0.00	0.00	0.00
0	0.00	0.00	0.00	0.00
0	0.00	0.00	0.00	0.00
0	0.00	0.00	0.00	0.00
Non F/G Feed #15	0.00	0.00	0.00	0.00
Non F/G Feed #16	0.00	0.00	0.00	0.00

# Schopf's Hilltop Dairy 2016 Budget Summary

@ 500 cows

<b>Total Projected Income</b>	<b>\$ 2,853,126</b>			
Feed PMS	\$ 590,671	20.7%		
Feed Forage/Grain	\$ 661,901	23.2%		
Custom Cattle/Buy Back	\$ -	0.0%	60.1%	\$ 11.97
Labor	\$ 461,652	16.2%		
Crop Expense	\$ -	0.0%		
Other	\$ 751,850	26.4%		
<b>Total Projected Expense</b>	<b>\$ 2,466,074</b>	<b>86.4%</b>		\$ 17.21
<b>Net Cash</b>	<b>\$ 387,052</b>			
<b>Total Projected P&amp;I</b>	<b>\$ -</b>	<b>0.0%</b>		\$ -

<b>Cash Surplus</b>	<b>\$ 387,052</b>
<b>Net Worth Gain</b>	<b>\$ -</b>
<b>Cash Breakeven Price</b>	<b>\$ 17.21</b>
<b>Acc Adj Cash Breakeven Price</b>	<b>\$ -</b>
<b>Cash Breakeven Pounds</b>	<b>76.1</b>
<b>Net Cash Available/Cow</b>	<b>\$ 774</b>
<b>Cash Price Margin/cwt</b>	<b>\$ 2.70</b>
<b>Net Worth % Change</b>	<b>#DIV/0!</b>

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**Business Plan Assumptions**  
Version 1.32



**Schopf's Hilltop Dairy**

12/7/2015

**Livestock Assumptions:**

	2016
	<u>Jan-Dec</u>
Average Cows on Hand	500
Average Cows Milking	453
Average Cows in Tank	435
Lbs. Milk/Cow In Tank/Day	90.00
Lbs. Milk/Milking Cow/Day	86.40
Number of Milkings/Day	3.0
Annual Culling Rate, %	40%
Total Cows Culled	202
Total Cows Sold for Breeding	0
Annual Death Loss, %	6%
Total Cows Died	32
Raised Springers	122
Purch Open Market Springers	112
Purch Returning Springers	0
Heifers <60d Raised -----	Y
Percent of Group @ Grower	0%
Heifers 60d to <7m Raised --	Y
Percent of Group @ Grower	0%
Open Heifers > 6 m Raised --	Y
Percent of Group @ Grower	0%
Bred Heifers Raised -----	Y
Percent of Group @ Grower	0%
Age Heifers Leave Farm, Mo.	0
Age Heifers Return, Mo.	0
YE Owned Heifers < 7 mo	126
YE Owned Open Heifers > 6 mo	182
YE Owned Bred Heifers	146
Gross Milk Price, \$/Cwt.	17.57
Basis Before Hauling, \$/Cwt.	2.00
Milk Hauling Cost, \$/Cwt.	0.50
Cull Cow Sales Price	1,200.00
Breeding Cow Sales Price	-
Open Market Springer Price	-
Returning Springer Price	1,950.00
Bull Calf Sales Price	200.00
Heifer Calf Sales Price	-

*If start year @ 500 cows. we would need to buy 112 hd in 2016 to maintain 500 cows over our current heifer inventory. Would need 73 hd. to get to 500 cows*

Milk prices based on CME Class III on 12/3/15 plus a basis of 12.6% of Class III

Assumed all heifers raised on farm. None custom raised.

Assumed 35 hd brought back from Evenson's are paid for and owned. No other cattle purchases assumed in the plan.



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**Schopf's Hilltop Dairy**

12/7/2015

**Cropping Assumptions:**

	<u>2016</u>
Total Crop Acres	-
Corn Silage, Acres	-
DM Yield, Tons/Acre	-
Alfalfa Haylage, Acres	-
DM Yield, Tons/Acre	-
Alfalfa Hay, Acres	-
DM Yield, Tons/Acre	-
Straw, Acres	-
DM Yield, Tons/Acre	-
Refusal, Acres	-
DM Yield, Tons/Acre	-
Corn Grain, Acres	-
DM Yield, Tons/Acre	-
, Acres	-
DM Yield, Tons/Acre	-
, Acres	-
DM Yield, Tons/Acre	-
, Acres	-
DM Yield, Tons/Acre	-
Grain #5, Acres	-
DM Yield, Tons/Acre	-
Grain #6, Acres	-
DM Yield, Tons/Acre	-
Grain #7, Acres	-
DM Yield, Tons/Acre	-
Grain #8, Acres	-
DM Yield, Tons/Acre	-

Assumed all forage, grain, and straw bought from S&B Cropping. Schopf's Dairy raises no crops.

Assumed to be silage at \$41.50/t (35% dm), haylage \$72/t (40% dm), corn \$145/t (85% dm), straw \$120/t (85% dm)

**Labor Assumptions:**

	<u>2016</u>
Owner Draws	-
Salaried & Hourly	427,500
Hired Management	-
Benefits & Insurance	34,152
Taxes	-
Total Labor Cost, \$/Cwt.	3.22
Total Labor Cost, \$/Cow/Day	2.52

Hourly labor in plan is TOTAL costs of wages, taxes, benefits, workmans comp, owner draws per Schopf's

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**Business Plan Assumptions**  
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**Schopf's Hilltop Dairy**

12/7/2015

**Capital Assumptions:**

<b>Capital Purchases</b>	<b><u>2016</u></b>
Dairy Livestock	-
Heifer Livestock	-
Other Livestock	-
Risk Prot. Milk	-
Non-Lvstk Intermediate	-
Long Term	-
Total	-

<b>Capital Sales</b>	
Owner Equity Contrib/(Draw)	-
Breeding/Cows & Bulls	-
Breeding/Heifers	-
Breeding/Other	-
Non-Lvstk, Intermediate	-
Long Term	-
Total	-

<b>New Credit (Money Borrowed)</b>	
Short Term Loans	-
Intermediate Term Loans	-
Long Term Loans	-
Total	-
YE Operating Loan Balance	891,364

**Source and Use of Funds**

Assumed no capital purchases in 2016

Assumed heifer back of 35 hd at \$1,950/hd between May-Sep 2015 and shown as an operating expense

Assumed dairy buys all feed and has no inventory - buy monthly as needed

Assumed 0% shrink on forages and grains. Plan buys what goes into TMR. S&B takes shrink and is in purchase price.

Assumed S&B rents land from Schopf's Dairy for \$125/acre on 413 acres

No custom manure hauling - dairy owns equipment and S&B provides labor for manure value

Goal to milk 450 cows every day - maximum facility use

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**Animal Operations**

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**Schopf's Hilltop Dairy**

12/07/15

**First Year Estimations:**

**2016**

Total Cows On Farm	500
Cows In Milk	453
Cows With Milk In Tank	435
Average Percent In Milk <sup>a</sup>	87%
Total Dry Cows	47
Total Cows Culled	202
Total Extra Cows Sold	0
Total Cows Died	32
Percent Culled	40%
Percent Died	6%
Percent Culled/Died	47%

Bull Calves Born	314
Heifer Calves Born	290
Total Heifers Raised	122
Total Heifers Purchased	112
Total Heifers Sold	0
Total Animals Bred	324
Total Replacement Animals	234
Total Animals To Freshen	641

<sup>a</sup> Percent of total cows whose milk is going into bulk tank

**Estimated Monthly Animal Variations**

2016	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	YTD
Cwt. Of Milk Sold	11,913	11,484	12,276	11,556	12,053	12,015	12,443	12,388	11,880	12,164	11,421	11,662	143,256
Total Cows On Farm	500	500	500	500	500	500	500	500	500	500	500	500	500
Cows In Milk	445	458	458	446	450	464	465	462	458	454	441	435	453
Cows with Milk In Tank	427	440	440	428	432	445	446	444	440	436	423	418	435
Cows Freshened	57	39	35	26	35	38	31	24	30	27	34	31	407
Heifers Freshened	16	18	18	19	18	19	18	22	23	22	20	21	234
Total Dry Cows	55	42	42	54	50	36	35	38	42	46	59	65	47
Cows Dried Off	35	26	35	38	31	24	30	27	34	31	47	37	395
Cows Culled	13	16	16	16	16	16	16	19	20	19	17	18	202
Extra Cows Sold	0	0	0	0	0	0	0	0	0	0	0	0	0
Springers Sold	0	0	0	0	0	0	0	0	0	0	0	0	0
Cows Died	3	2	2	3	2	3	2	3	3	3	3	3	32
Cows Bred	27	34	31	47	37	31	19	17	21	22	19	18	324
Raised Heif to Tran <sup>a</sup>	12	0	2	0	6	17	22	10	11	16	10	16	122
Purch Heif to Tran <sup>a</sup>	6	18	17	18	13	1	0	13	11	4	11	0	112
Returning Heifers in													
Purch Heif to Tran <sup>b</sup>	0	0	0	0	0	0	0	0	0	0	0	0	0

**Estimated Replacement Heifers**

2016	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Heif <60d @ Farm	40	55	46	40	40	46	44	39	41	42	42	44
Heif <60d @ Grower	0	0	0	0	0	0	0	0	0	0	0	0
Heif <7m @ Farm	67	61	73	74	86	95	86	86	84	85	85	81
Heif <7m @ Grower	0	0	0	0	0	0	0	0	0	0	0	0
Heif. >6m @ Farm	124	129	132	143	139	132	146	160	164	169	176	181
Heif. >6m @ Grower	0	0	0	0	0	0	0	0	0	0	0	0
Bred Heif @ Farm	96	94	110	120	133	143	143	130	137	139	138	146
Bred Heif @ Grower	0	0	0	0	0	0	0	0	0	0	0	0
Open Heifers < 7 mo	107	116	119	114	126	141	130	125	125	127	127	125
Open Heifers > 6 mo	124	129	132	143	139	132	146	160	164	169	176	181
Bred Heifers	96	94	110	120	133	143	143	130	137	139	138	146
Total Heifers	327	339	361	377	398	416	419	415	426	435	441	452



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Cash Flow Detail

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DAIRY BUSINESS  
CONSULTING

**Schopf's Hilltop Dairy**

**2016**

12/7/2015

**Income**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Beginning Cash Balance	-	-	-	-	-	-	-	-	-	-	-	-	-
Ag Program Receipts	-	-	-	-	-	-	-	-	-	-	15,000	-	15,000
Crop Sales	-	-	-	-	-	-	-	-	-	-	-	-	-
Gain or (Loss)/Investments	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-	-	-	-	-	-	-
Lvstk. Sales/Calf/Bull	6,400	5,000	4,600	4,000	4,600	5,000	4,400	4,000	4,600	4,400	4,800	4,400	56,200
Lvstk. Sales/Calf/Heifer	-	-	-	-	-	-	-	-	-	-	-	-	-
Lvstk. Sales/Cull/Bulls	-	-	-	-	-	-	-	-	-	-	-	-	-
Lvstk. Sales/Cull/Cows	15,600	19,200	19,200	19,200	19,200	19,200	19,200	22,800	24,000	22,800	20,400	21,600	242,400
Lvstk. Sales/Cull/Heifers	-	-	-	-	-	-	-	-	-	-	-	-	-
Lvstk. Sales/Market Livestock	-	-	-	-	-	-	-	-	-	-	-	-	-
Milk Sales	173,732	190,375	186,500	204,518	197,030	209,598	213,386	224,603	227,065	219,186	223,703	208,205	2,477,901
Miscellaneous Income	833	833	833	833	833	833	833	833	833	833	833	833	10,000
Other Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-
Patronage/Cash	-	-	-	-	-	-	-	-	-	-	-	-	-
Risk Protection/Hedging (Milk)	-	-	-	-	-	-	-	-	-	-	-	-	-
Risk Protection/Hedging (Non-Milk)	-	-	-	-	-	-	-	-	-	-	-	-	-
Land Rental Income from S&B	4,302	4,302	4,302	4,302	4,302	4,302	4,302	4,302	4,302	4,302	4,302	4,302	51,625
	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Income</b>	<b>200,867</b>	<b>219,710</b>	<b>215,436</b>	<b>232,854</b>	<b>225,965</b>	<b>238,934</b>	<b>242,122</b>	<b>256,539</b>	<b>260,800</b>	<b>251,521</b>	<b>269,039</b>	<b>239,340</b>	<b>2,853,126</b>

**Expense**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Bedding	3,972	3,972	3,972	3,972	3,972	3,972	3,972	3,972	3,972	3,972	3,972	3,972	47,660
Breeding Expenses	1,506	1,873	1,690	2,571	2,057	1,726	1,065	935	1,155	1,210	1,045	990	17,823
Bst Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-
Crop Exp./Chemical	-	-	-	-	-	-	-	-	-	-	-	-	-
Crop Exp./Consulting	-	-	-	-	-	-	-	-	-	-	-	-	-
Crop Exp./Custom Hire	-	-	-	-	-	-	-	-	-	-	-	-	-
Crop Exp./Fertilizer	-	-	-	-	-	-	-	-	-	-	-	-	-
Crop Exp./Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-
Crop Exp./Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Crop Exp./Rent or Lease	-	-	-	-	-	-	-	-	-	-	-	-	-
Crop Exp./Seed	-	-	-	-	-	-	-	-	-	-	-	-	-
Custom Hire	-	-	-	-	-	-	-	-	-	-	-	-	-
Custom/Manure Removal/Application	-	-	-	-	-	-	-	-	-	-	-	-	-
Custom/Heifer Growing	-	-	-	-	-	-	-	-	-	-	-	-	-
Custom/Dry Cow Care	-	-	-	-	-	-	-	-	-	-	-	-	-
Equipment Rent or Lease	3,769	3,769	3,769	3,769	3,769	3,769	3,769	3,769	3,769	3,769	3,769	3,769	45,228
Facility Rent or Lease	-	-	-	-	-	-	-	-	-	-	-	-	-
Feed Exp./Nutritionist/Testing	-	-	-	-	-	-	-	-	-	-	-	-	-
Feed Exp./Corn and Grain	11,568	11,191	12,052	11,400	11,899	11,832	12,235	12,157	11,662	12,007	11,330	11,583	140,917
Feed Exp./Corn Silage	18,675	18,675	18,675	18,675	18,675	19,920	18,675	19,920	18,675	19,920	17,430	19,920	227,835
Feed Exp./Hay	894	812	809	851	882	798	808	852	818	859	870	936	10,189
Feed Exp./Haylage	21,600	19,440	23,760	21,600	23,760	23,760	23,760	23,760	23,760	25,920	25,920	25,920	282,960
Feed Exp./Non-Forage/Non-Grain Feeds	48,194	46,886	49,794	48,033	48,477	49,182	50,743	50,826	48,901	50,774	48,407	50,454	590,671
Freight/Non-Feed/Non-Lvstk.	4,306	4,306	4,306	4,306	4,306	4,306	4,306	4,306	4,306	4,306	4,306	4,306	51,674
Fuels, Oil and Lube	3,900	3,900	3,900	3,900	3,900	3,900	3,900	3,900	3,900	3,900	3,900	3,900	46,800
Insurance/Liability and Property	4,950	4,950	4,950	4,950	4,950	4,950	4,950	4,950	4,950	4,950	4,950	4,950	59,400
Insurance/Vehicle	-	-	-	-	-	-	-	-	-	-	-	-	-
Labor/Draw #1	-	-	-	-	-	-	-	-	-	-	-	-	-
Labor/Draw #2	-	-	-	-	-	-	-	-	-	-	-	-	-
Labor/Employee Benefits	-	-	-	-	-	-	-	-	-	-	-	-	-
Labor/Hired Management	-	-	-	-	-	-	-	-	-	-	-	-	-
Labor/Hourly Incl Dennis draw	35,625	35,625	35,625	35,625	35,625	35,625	35,625	35,625	35,625	35,625	35,625	35,625	427,500
Labor/Insur. (Health,Life,Other)	2,846	2,846	2,846	2,846	2,846	2,846	2,846	2,846	2,846	2,846	2,846	2,846	34,152
Labor/Salaried	-	-	-	-	-	-	-	-	-	-	-	-	-
Labor/Taxes (FICA,FUTA,SUTA,Medicare)	-	-	-	-	-	-	-	-	-	-	-	-	-
Labor/Workmans Compensation	-	-	-	-	-	-	-	-	-	-	-	-	-
Marketing/Culls	-	-	-	-	-	-	-	-	-	-	-	-	-
Marketing/Milk	1,787	1,723	1,841	1,733	1,808	1,802	1,867	1,858	1,782	1,825	1,713	1,749	21,488
Marketing/Milk Hauling	5,957	5,742	6,138	5,778	6,026	6,008	6,222	6,194	5,940	6,082	5,711	5,831	71,628
Marketing/Other Lvstk.	-	-	-	-	-	-	-	-	-	-	-	-	-
Marketing/Risk Prot. and Hedging (Milk)	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Misc. Business/Bank Charges	-	-	-	-	-	-	-	-	-	-	-	-	-
Misc. Business/Dues, Subs., Ads	-	-	-	-	-	-	-	-	-	-	-	-	-

Dairy Architect - Planner ©  
Cash Flow Detail

Version 1.32



DAIRY BUSINESS  
CONSULTING

**Schopf's Hilltop Dairy**  
**2016**

Misc. Business/License and Fees  
Outside Services/DHIA Testing  
Outside Services/Other  
Outside Services/Pest Control  
Personal Expenses  
Professional/Accounting  
Professional/Consulting  
Professional/Legal  
Professional/Other  
Repairs and Maint./Equipment  
Repairs and Maint./Facility  
Risk Protection/Hedging (Non-Milk)  
Supplies/Livestock  
Supplies/Milking  
Supplies/Non-Dairy  
Supplies/Office  
Taxes/Income/Federal  
Taxes/Income/State  
Taxes/Property  
Utilities/Electric  
Utilities/Garbage  
Utilities/Phone  
Utilities/Propane/NG  
Utilities/Sewage  
Utilities/Water  
Veterinary/Hoof and Feet  
Veterinary/Med Supplies  
Veterinary/Service/Consulting  
Lime

Minimum Cash Bal. [ \$.]

Total Operating Expenses

Cash Operating Surplus

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-
	375	375	375	375	375	375	375	375	375	375	375	375	4,500
	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-
	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	20,000
	333	333	333	333	333	333	333	333	333	333	333	333	4,000
	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-
	8,856	8,856	8,856	8,856	8,856	8,856	8,856	8,856	8,856	8,856	8,856	8,856	106,275
	125	125	125	125	125	125	125	125	125	125	125	125	1,500
	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-
	6,000	-	-	-	-	-	6,000	-	-	-	-	-	12,000
	5,640	5,640	5,640	5,640	5,640	5,640	5,640	5,640	5,640	5,640	5,640	5,640	67,680
	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-
	802	802	802	802	802	802	802	802	802	802	802	802	9,624
	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-
	3,869	3,869	3,869	3,869	3,869	3,869	3,869	3,869	3,869	3,869	3,869	3,869	46,425
	9,345	9,345	9,345	9,345	9,345	9,345	9,345	9,345	9,345	9,345	9,345	9,345	112,145
	-	-	-	-	-	-	-	-	-	-	-	-	-
	500	500	500	500	500	500	500	500	500	500	500	500	6,000
	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-
	207,060	197,222	205,640	201,522	204,464	205,909	212,255	207,382	203,574	209,478	203,306	208,263	2,466,074
	(6,193)	22,488	9,796	31,332	21,501	33,025	29,867	49,157	57,226	42,043	65,733	31,077	387,053

**UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF WISCONSIN**

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In re: Schopf's Hilltop Dairy, LLC,  
Debtor.

Case No. 15-33333-GMH  
Chapter 11

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**EXHIBIT C  
PROPOSED ORDER AUTHORIZING INTERIM USE OF CASH COLLATERAL,  
GRANTING ADEQUATE PROTECTION TO INVESTORS COMMUNITY BANK AND  
USDA FARM SERVICE AGENCY, AND SETTING HEARING ON FINAL  
AUTHORIZATION OF USE OF CASH COLLATERAL**

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This matter came before the Court upon the Motion by the Debtor for Interim Authorization to use Cash Collateral and Granting of Adequate Protection to Investors Community Bank and USDA Farm Service Agency, with a Request that the Motion be Heard on an Expedited Basis (the "Motion"). The Lenders, Investors Community Bank ("ICB" and USDA Farm Service Agency ("FSA"), were provided notice of the Motion, and a hearing was held on December \_\_\_\_, 2015, at which appearances were made by Attorney John W. Menn on behalf of the Debtor, Attorney David J. Van Lieshout on behalf of ICB, and Attorney Susan M. Knepel on behalf of FSA, and Attorney \_\_\_\_\_ on behalf of the Office of the United States Trustee. Upon the arguments of counsel, and the Court being otherwise fully advised in the premises,

Drafted by:  
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IT IS HEREBY ORDERED that Schopf's Hilltop Dairy, LLC, the Debtor herein, is authorized to use cash collateral of the Lender, which secures the balance due it, pursuant to § 363(c) and Rule 4001(b), on an interim basis, pending a final hearing to be held on \_\_\_\_\_ **at : am/pm**, and conditioned as follows:

1. ICB and FSA will retain perfected post-petition security interests to the same extent they held perfected pre-petition security interests in any of the Debtor's assets, extending to cash collateral received by the Debtor post-petition;
2. The Debtor will make not make adequate protection payments to ICB or FSA for the first 90 days, and interest will continue to accrue at the contract rates, with all accrued interest continuing to be secured by the collateral.
3. Within the next 90 days, the Debtor and/or Dennis and Roxanne Schopf will sell real estate sufficient to increase the milking herd size to 500 head, as outlined above. The Debtor will file a § 363 motion for any such sale, identifying the use of the proceeds. ICB and FSA will retain liens on the replacement animals purchased with the sale proceeds in the same priority as they currently hold on any such real estate sold. The Debtor will cooperate with the Lenders to execute any necessary documents to confirm this lien interest, which shall be filed with the Wisconsin Department of Financial Institutions.
4. The Debtor will utilize milk proceeds to pay regular farm operating expenses, in line with the Exhibits B-1 and B-2 attached to the Motion, as those figures may adjust depending on the exact herd count. The Debtor will re-invest any excess income, after payment of all regular farm operating expenses, including adequate protection payments as identified below, to purchase additional animals and replenish the herd as needed to maintain a 500 animal milking count. The Debtor is also authorized to reimburse Dennis Schopf the amount he paid

to the veterinarian on or around December 16th, in the amount of approximately \$2,100.00, for necessary animal medicine and supplies.

5. Beginning with the milk check to be received on or around March 15, 2016, the Debtor will make monthly payments via milk check assignment as follows:
  - a. To ICB, monthly payments in the amount of \$15,000.00 per month. The payments will be made \$7,500.00 from the mid-month check and \$7,500.00 from the check received around the 1st of each month. Payments will be applied toward interest as it accrues.
  - b. To FSA, monthly payments in the amount of \$700.00 per month. The payments will be made \$350.00 from the mid-month check and \$350.00 from the check received around the 1st of each month. Payments will be applied toward interest as it accrues.
6. The Debtor will escrow for future payment of real estate taxes, with ICB. The escrow will be kept in a separate restricted account, commencing in January and in each month thereafter, to be used specifically for payment of real estate taxes as they come due, and no other purpose. The Debtor will pay \$1,000.00/mo, and the Schopfs will continue to pay into separate escrows on the houses, the aggregate total of which will be sufficient to pay all real estate taxes as they come due on both the LLC property and the property individually owned by the Schopfs. The escrows will be adjusted from time to time as may be necessary, and ICB will disburse escrowed funds to pay taxes as they come due;
7. The Debtor will file a Plan of Reorganization and a Disclosure Statement within the exclusive period, on or before April 12, 2016, and will request a hearing on the adequacy of the Disclosure Statement and ultimately the confirmation of the Plan within the statutorily



prescribed periods thereafter. These dates may only be extended by Order of the Court upon motion therefore;

8. If the Debtor defaults in any of the conditions of adequate protection provided herein, ICB shall provide the Debtor and its Attorney with a written notice of the default. If the default has not been cured within 10 days after Notice of Default is mailed, ICB may request a hearing to consider relief from the automatic stay provided by 11 U.S.C. Section 362 to allow it to proceed to appropriate remedies;
9. The Debtor will maintain full casualty insurance coverage on all property;
10. This Stipulation shall remain in effect until the earliest of (1) the date of Plan Confirmation, (2) dismissal of the case, or (3) conversion of the case.
11. This is an Interim Order only, and the Debtor and Lender reserve all of their respective rights pending a final hearing on the Motion.

#####

**UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF WISCONSIN**

---

In re: Schopf's Hilltop Dairy, LLC,  
Debtor.

Case No. 15-33333-GMH  
Chapter 11

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**EXHIBIT D  
COMPLIANCE WITH LOCAL RULE 4001(b)**

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Local Rule 4001(b) provides that "All Financing Motions must (1) recite whether the proposed form of order and/or underlying cash collateral stipulation or loan agreement contains any provision of the type indicated below; (2) identify the location of any such provision in the proposed form of order, cash collateral stipulation and/or loan agreement; and (3) provide the justification for the inclusion of such provision. A summary of the relevant terms is as follows:

(1) Provisions that grant cross-collateralization protection (other than replacement liens or other adequate protection) to the pre-petition secured creditors (i.e., clauses that secure pre-petition debt by post-petition assets in which the secured creditor would not otherwise have a security interest by virtue of its pre-petition security agreement or applicable law).

- Location in Order: N/A

(2) Provisions or findings of fact that bind the estate or all parties in interest with respect to the validity, perfection or amount of the secured creditor's pre-petition lien or debt or the waiver of claims against the secured creditor without first giving parties-in-interest at least 75 days from the entry of the order and the creditors' committee, if formed, at least 60 days from the date of its formation to investigate such matters.

- Location in Order: N/A

(3) Provisions that seek to waive, without notice, whatever rights the state may have under 11 U.S.C. § 506(c).

- Location in Order: N/A

(4) Provisions that grant immediately to the pre-petition secured creditor liens on the debtor's claims and causes of action arising under 11 U.S.C. §§ 544, 545, 547, 548 and 549.

- Location in Order: N/A

(5) Provisions that deem pre-petition secured debt to be post-petition debt or that use post-petition loans from a pre-petition secured creditor to pay part or all of that secured creditor's pre-petition debt, other than as provided in 11 U.S.C. § 552(b).

- Location in Order: N/A

(6) Provisions that provide for a substantially smaller or no professional fee carve-out for the professionals retained by a creditor's committee as compared to the professional fee carve-out for the professionals retained by the debtor.

- Location in Order: N/A

(7) Provisions that prime any secured lien, without the consent of that lienor.

- Location in Order: N/A

(8) Super-priority positions unless a significant carve-out is proposed.

- Location in Order: N/A

(9) A secured creditor obtaining a higher administrative expense priority than Chapter 11 expenses of administration or Chapter 7 expenses of administration in the event of a conversion from Chapter 11.

- Location in Order: N/A

(10) Automatic perfection of security interests in “replacement lien collateral” without filing or re-filing UCC statements.

- Location in Order: N/A